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USDA/CSREES LISTENING SESSION

JULY 26, 2001

BLOOMINGTON, MINNESOTA

MR. SPURLING: Good morning. Hello everyone. I'm Jim Spurling and along with my colleague, Phil Schwab, we are basically in charge of these listening sessions for CSREES. And we certainly agree, especially with our Administrator Colien Hefferan, that it is vital to listen to our partners to develop the administrative programs we have under our charge and the best way to find out if our programs are being administered properly or if they're serving their purpose; that is, solving real problems is to listen to the people that are operating those programs. That's why we're doing this listening session.

This is the second of four listening sessions we now have planned. We had a previous listening session in Lancaster, Pennsylvania earlier this month and it was an excellent session. We heard stories from real farmers that had real problems solved by programs we offered. So those are the kind of things we want to hear. Those are the kind of things Congress wants to hear. And it makes our job easier in delivering the programs.

There are some very important

things going on in Washington, D.C. right now that affect all of us, and the House of Representatives Agriculture Committee is in the process of marking up a new farm bill. I guess we call it a new farm bill. I think they're probably going to call it technical changes to the Freedom of Farm Act, but it's a new farm bill as we now speak. I don't know if they're in a research section or extension section yet, but they are probably going to reach that today or tomorrow. So such things as we talk about today will eventually, as that process plays itself out, hopefully will have some input before that new farm bill is finished if there are needs to change programs legislatively or administratively.

Other than that, Phil, do you have a rundown on where the Senate is and anything you wish to add as well as welcome our CSREES colleagues that are with us today?

MR. SCHWAB: Good morning. Things are happening in Washington while we are out here today listening to you. There are things happening in your institutions and so we're very appreciative that you all are here to talk to us

today and hopefully more of your colleagues from around the state and around the region will join us as the day progresses.

Jim gave you a pretty good rundown of where the House is right now on the farm bill. And I worked on the Senate before coming to CSREES so I will give you a little bit about where the Senate is. As you know, the Senate recently changed leadership so they've been taking a little bit more time getting their house in order in terms of the farm bill, but Senator Harkin has been holding hearings on various titles of the farm bill. He's held commodity program hearings, nutrition program hearings and conservation program hearings. And just yesterday his committee marked up a supplemental appropriations bill that contained an extra seven and some odd billion dollars for agriculture programs this fiscal year. And so that needs to pass the Senate by the end of this work period before the August recess and hopefully get reconciled with the House provision which was only five and a half billion dollars.

So the Senate is working right now on fiscal 2001 supplemental appropriations at the

same time that the House is working on their new farm bill. And supposedly the Senate will start on its farm bill construction later on this year. So we'll see where it goes. It's a very fluid process right now. And we know all your institutions and agencies are working with our staff and with your representatives in Washington to influence the farm bill process.

What we're here about today is not only the farm bill, not only legislative solutions, but also what we can do and what successes we've had and what barriers there are to greater success for administering and implementing the programs. These are the programs that you know so well, the formula fund programs that go to research and extension activities and a whole host of land grant institutions and experiment stations through the integrated programs that we have and the initiative for future agriculture food systems and the integrated research and educational extension programs, our higher education programs that train new scientists and extension personnel for the future and our basic science programs, the National Research Initiative. So those are the programs that we

want to examine today.

We want to hear about your success in implementing those programs on the local level, what types of activities you are engaging with, how you are dealing with the new integrated environment that is being put forward by the initiative for future agriculture and food systems and how the base programs are vital to your operation and continued success. So that's what we're sort of looking for today and with a look at past successes but also on what does the future look like and how do our programs position the land grant community, the college -- the agriculture research education and extension community to meet the needs of the 21st century.

Just a little bit on the format today. As we stated in the Federal Register notice, the morning is going to be for open comment session and the morning is also going to be on the record so to speak. We have a court reporter with us here today so all of your comments that you make will be recorded for the official record. This is planned to be posted on the CSREES web site and will be available to the congressional committees for their deliberation as they need it

and will be available to the public to see what your statements are about our programs. So the morning session is for open public comment. We have had a number of people call and schedule times for public comment and so we will just keep the floor open for the morning as those people may come and go as they please.

The afternoon we had planned for a breakout session for our small group discussions, a little more intimate and open discussion that is off the official record. And depending on the number of folks who are interested in staying for that session we'll determine how many of those breakout groups we want to have.

So we want to be very relaxed and casual here today within the boundaries of our formal roles, but we're looking forward to hearing from you today and really thank you very much for taking the time out of your schedule to come and give us really good information that we need for our programs back in Washington. So with that I will turn it back over to Jim to introduce our first speaker.

MR. SPURLING: Okay. A couple of housecleaning things. We have a registration

book over here, if everyone would make sure they sign in on the registration book. And also refreshments in the back. I also want to remind everyone that we do have a good contingent from our agency including our Administrator, Colien Hefferan. Our part of our group that has put together these listening sessions, Eric Norland is here, Wells Willis and Chuck Graves, Mary Humphreys who we wouldn't have one session without I guarantee you. She does all the logistics of setting these up. And we also have Jane Coulter and Betty Lou Gilliland from the agency with us today. Okay. That's the end of our talking. Now we're going to start listening. First on the agenda we have Jim Anderson.

MR. ANDERSON: Thank you very much. I'm not exactly sure about the format, but you said informal here so I'm going to kind of wing it from there. I was surprised I was first so it's a good thing I was on time I guess this morning.

DR. SCHWAB: Jim, if you can make sure you speak into the microphone.

MR. ANDERSON: Okay. I also do have a talking point sheet that I'll leave with her as

well relative to this.

The topic that I wanted to address this morning is the 406 water quality program because -- I should probably introduce myself in a sense. I am Jim Anderson. I'm Co-Director of the Water Resources Center here at the University of Minnesota. I also carry the dual hat or the separate hat, as the case may be, relative to being the Extension Water Quality Coordinator for the state. So obviously I guess it would stand to reason that I would be interested in the water quality programs in terms of research and extension and education possibilities within CSREES.

In my view I guess the first point I'd like to make is that water management, water quality issues relative to agriculture are here to stay with us. I think that we have some significant issues on the table that are national in scope, regional in scope as well as local in scope. And at least some of the regional and national things involve the development of total daily maximum loads, TDMLs as they impact agriculture, things such or issues such as the hypoxia situation in the Gulf of Mexico which is

being laid directly at our feet here in the Upper Midwest anyway in terms of contributing nitrogen to that problem. So the bottom line as I see it is that it's very important that CSREES continue to have water quality programs, water quality research, education and activities connected with its programs to address not only these issues but a number of other ones.

Recently, within the last couple years, CSREES, as you've moved to integration, has changed the way programs operate. And at least as I view it relative to activities within the State of Minnesota, that's what I'll relate to mostly because that's where I reside and the activities take place. For the most part I would like to say that that move towards integration in those elements is very positive and it's also consistent with the ways that we have tried to work within the state itself in terms of bringing together the extension with the research and then couple that with education activities. As a matter of fact, within the Center within the University that I operate we have all of those elements and we have a number of projects which combine all of those elements in it in terms of

research on specific problems, extension activities around meeting with individual producers and that sort of thing in terms of solving those programs and then relating back into a significant graduate education program that numbers about eight graduates. So I think that those elements are there.

It goes without saying I think that relative to the size of the program within CSREES, it's a relatively small one as you look at least at Section 406 from a water quality perspective. If you look nationally or regionally, the amount of money going into that program is not adequate to cover all the demands. And in fact 10 to 20 percent success ratios relative to proposals going in on projects is actually an impediment in some degree to the development of some of the better projects. So there is a relationship there I think between the size of the funding available and the kinds of projects that you're going to get in. So again probably it goes without speaking that I would be in support of trying to look at some sort of an initiative or whatever to increase that pool of money to get at those types of things.

The requirement for integration of research, education and extension integration has, as I said, been very good. In my view relative specifically to the 406 program, and this is where I kind of step into the extension piece of my role, is that what will keep these projects from becoming just another collection of individual research projects spread out either across the state or across the nation is the fact the research -- or the extension and the education pieces of this. I think that we need to continue to look at this particular section very carefully so that it does not merely become another avenue outside of some of the other programs that fund research projects. In other words, the extension and education elements are very important. And I think it's going to take some continued vigilance in a sense so that it doesn't sort of just drift away and, as I said, become another collection of research projects. So I would like to see, you know, continuing in the RFPs and that sort of thing clear expression relative to the need of these elements.

Within the individual states we've done fairly well in terms of partnering with other

federal and state agencies around bringing resources together to address specific water quality problems within our state. That includes not only other federal partners but obviously state Department of Agriculture, Departments of Health, et cetera. As a matter of fact, within Minnesota in sort of a previous way of doing business through CSREES we were able to leverage at a level of five to ten times any of the federal dollars coming in with state money.

An example is we had a program here where we were receiving approximately $120,000 in total relative to CSREES grants and we leveraged that into projects that were worth well over a million dollars. And Minnesota is not an exception there. I think that we've seen that in a number of other places across the region. Therefore, if I were looking at relative to going for additional funding and that sort of thing with Section 406 in particular, a key element to that would be to establish within that program some type of an opportunity for states and others to write grant proposals towards this type of leveraging to solve particular problems. And so if you want to call that a leverage pool or

something to be established as part of the funding requests I guess, you know, that's how I would phrase it.

And finally the last point that I have this morning is that in the Midwest here anyway one of -- at least as I view it, one of our successful programs was the management systems evaluation area projects which were looking at basically pesticide inputs into ground water. Those were projects where they were basically mandated to have one of those projects that we work together as state and federal agencies around looking at agricultural impacts as they impacted ground water. I would like to see the opportunity in future water quality efforts and that sort of thing towards developing some type of program along those lines where there's an incentive for inter-agency research not only across the USDA but other federal agencies as well.

I appreciate the opportunity to have been here this morning and share these comments with you and I'll gladly enlarge upon those comments with anyone who cares to listen. So thank you very much.

DR. SCHWAB: Thank you. And the informal discussion is why we have our staff here today so feel free to engage any or all of us in informal discussion during the break time or lunch or especially during the breakout time this afternoon.

We'll move on to the next speaker, Elizabeth Sandell from the University of Minnesota.

MS. SANDELL: Good morning. I do have a copy of my remarks for you. I'm Beth Sandell. I'm the Program Director for the Nutrition Education Programs that are funded by the USDA and administered by the College of Human Ecology at the University of Minnesota. Last year in Minnesota the Food Staff Nutrition Education Program served more than 27,000 participants with six or more hours of service in 79 of Minnesota's 87 counties. And the expanded Food and Nutrition Education Program served more than 11,000 graduates in ten counties in Minnesota. And it's those two programs that I'd like to speak about this morning.

We've been collecting evaluation data and success stories for several years in

Minnesota, and I have a few stories to share with you.

In southwestern Minnesota there was a group of fifth graders who were learning the importance of hand washing, and they learned the correct way to do that. When they went to try to practice the correct way to do hand washing, they discovered that they couldn't do that because in the boys bathroom at their school they did not have hot water. And when the students came back to the classroom they realized that it wasn't fair that the boys didn't have hot water. And so the students got together and lobbied the superintendent who installed -- well, not himself but installed hot water in the boy's bathroom.

In north central Minnesota there was a family that lived in an apartment where the refrigerator was not functioning well enough to keep food safely so they had a lot of spoilage and some illness. And the tenant could not afford to replace the refrigerator on her own so the tenant kept a record of the temperature inside the refrigerator over time and used that information to convince the landlord that it was important to replace it.

In the west central part of Minnesota there was a family whose cultural background stressed the importance of a diet heavy on cooking oil. The NEA who visited in the home was able to demonstrate how just a very small amount of oil would have the same impact on taste and texture and be much more healthy for that family.

These are just a few examples of the nutrition education programs that are administered by Families That Work through the College of Human Ecology, and these programs represent an investment of more than ten million dollars in Minnesota. We have six million dollars in grants and contracts from the USDA and we have more than four million dollars in sources in kind, public sources in Minnesota that contribute to the program. It's a very much grass roots and personal effort, and our strategy in Minnesota as well as other states has been to hire people from the community. Many of our nutrition education assistants have themselves been recipients of food stamps. They know what it's like to try to make ends meet.

We have more than 140 especially hired and trained peer educators that are called NEAs.

And they go to people in their homes, they go to students in school, they go to work force centers. They go anywhere that they can find participants to teach them how to manage food resources.

One of our goals is to help people gain control over significant parts of their lives. And when we start with nutrition, that often spills over into other parts of their lives. We've also found that the program contributes in many ways to a stronger and healthier community.

The nutrition education assistance success in helping families manage food resources has been especially important the last few years as we help families transition off Welfare and into the work world. In fact, in Ramsey County, which is where the state capitol is our educators have also been invited to participate in training the county human service financial workers and help them set their goals for work.

One of the NEAs from central Minnesota has given several stories to share with you. Her name is Darlene Glatzmaier. She talks about visiting a family that had a five-month-old baby and the mother in that family was in such despair

about her life situation that she told the NEA she had considered suicide. These are very difficult times for families, and even when they're working they might not be making enough for their family's well-being. In Minnesota many low paying jobs like detassling corn are seasonal and sometimes there might be enough money in the house and oftentimes there's not.

Darlene told me that she worked with people to help them learn to make both food stamps and food dollars go farther. They can find out that a few simple recipes can replace pricy, frozen convenience foods and that if they pay attention to unit pricing they can get more for their money.

Darlene has experienced the situation where longstanding family traditions can often conflict with what we know about healthy food storage and nutrition practice. She told a story about visiting many immigrant Hispanic families from traditional backgrounds. And in these families they often store--I had to check this number--12 dozen, not just one dozen but 12 dozen eggs on their kitchen counters, ready for preparation of one week's worth of tortilla

making. She talks often to families about the importance of storing food safely so that the food that they can afford to buy is nutritional and safe for them to use.

Darlene says that the learning has gone both ways and she's found her own perspectives broadened and enriched by the multi-cultural background of her clients.

I want to highlight three challenges that we've discovered in Minnesota in relation to these programs.

The first is simply access to participants. When life is chaotic and there aren't enough resources, it's very challenging for people actually to be interested in nutritional education. And so in our efforts to get access to participants we have forged many, many partnerships across the state with local, county and state programs. This takes time to forge the partnerships and maintain them and it also occasionally results in conflict between policies and reporting systems. That takes time too. We've discovered that it's very important to combine outreach for services and food programs with education about nutrition and

financial management.

A second challenge is that of accessing the participants. We have methods to find out what people are ready to learn and what they need to learn. We have lots of methods. And sometimes it's a challenge to administer to them efficiently and effectively so that we don't collect unnecessary data that would be a cost to the program that we don't need. And so the nutrition assistants around the state are constantly balancing the need for accountability and program evaluation with getting nutrition education done.

A third challenge is to simply maintain a level of service when resources are stretched -- when programming resources are stretched. And as most states have had to do with such programs, we've had to find a variety of resources just in order to maintain the level of service to our people.

Thank you very much for visiting Minnesota, and I'll be here today if other people have questions.

MR. SPURLING: Next is David Acker.

MR. ACKER: Good morning. I wanted

to bring you greetings from Iowa. If you live in Iowa you can think of almost any excuse to come up here to the great Twin Cities. I'm very pleased to be here to balance out all those people from Minnesota.

I'm the Assistant Dean for National and Global Programs at Iowa State University. And my comments this morning were constructed jointly with our College of Veterinary Medicine and our College of Agriculture. Unlike some universities, we have a vet school and an agriculture school that like each other and talk to each other and work together so we're happy to share these comments with you, and we also thank you for coming. I think it's really vital that CSREES, USDA as a whole, hold these sorts of listening sessions in order the maintain the reputation of the people's department. It doesn't happen if you stay in Washington and we appreciate you coming out.

We had also two days with Dr. Hefferan making comments about some of the reorganization within CSREES and there were just a number of tangible bits of evidence of things that are going right in the agency. And I would point to the

increased communication with partners, the lists of people with what they do so we know who to contact, the liaison established for every organization is of importance. And I think the reaction that she got was a very, very positive one from the deans and associate deans from around the country so we really appreciate that.

I'm going to comment briefly on three areas. The first one will be in terms of national initiatives. It would come as no surprise, but our colleges strongly believe that a science and education base is essential for the future in production agriculture, rural vitality, environmental sustainability and the safety and security of our nation's food supply. As a result we strongly believe that the two national initiatives, the National Coalition for Food and Agricultural Research, the national CFAR as it's known, and the Food and Society Initiative are certainly in our best interests. And while CSREES does not control these things, we wanted to at least go on record as saying here we are very supportive of these.

The second area would be to talk about programs that we believe are successful in

serving US stakeholders. We want to make sure we don't throw out those things that are working well or are useful. We strongly support NRI, IFAFS, the integrated program, the challenge grants, the National Needs Graduate Fellowships. These are programs that we use regularly and are very, very happy with.

Just to give you an example of the challenge grants, we have students that are now experiencing learning through service learning opportunities in Iowa. We will have in this next year students who will go to Peru and work in community nutrition internships and understand about reaching diverse audiences through that experience. We'll also have students in cooperation with the University of California, Davis going to Panama to learn about tropical agriculture and the environmental access. So these are programs that are very vital to us if we want to add value to those things that we already do.

I'd say it's quite clear given the response to IFAFS grants with almost, as I understand it, 800 proposals submitted requesting 1.32 billion dollars. And if the program can

only fund 119 to 120 million, there is a huge unmet need out there so I would certainly concur with our first speaker there could be a significant disincentive if we operated at that one in ten ratio on proposals. We want people submitting those good ideas.

The third area I want to touch on are areas requiring increased funding and attention. And there are about four areas that I'll mention in this category.

First, sustainable agriculture and livestock production. We're committed to developing a more diverse food and ag system that enhances the natural landscape and contributes to farm profitability and rural vitality. One example of this is the graduate program in sustainable agriculture which we'll have our first students starting in that program next month. They'll spend about two weeks on the road looking at sustainable agriculture issues in the north central region. And this we believe is the first of its kind in the United States. I think there are lots of other schools that have added courses and are moving in the direction of adding graduate programs and undergraduate programs in

sustainable agriculture. We're going to continue to help in that area.

The second area, prevention and detection of outbreaks of foreign or exotic diseases that affect plants and animals. U.S. agriculture is very vulnerable to the introduction of foreign diseases, some intentionally, some unintentional. The risks for accidental outbreaks has grown as free trade policies have increased travel and movement of product. And we believe that increased funding is needed for research in the prevention and rapid detection technologies and for outreach to educate producers about some of these outbreaks to secure a safe and secure food system.

The third point, graduate training in targeted areas of national need. We're very concerned about increasing the pool of Ph.D.s both in the veterinary medicine area as well as agriculture, and agriculture very broadly defined to include the biological, physical and social sciences related to agricultural. We believe there's a critical need for additional training in that area. And my colleague Jim Roth mentions particularly the infectious disease area where a

new infusion of scientists will be needed in order to replace the fairly large number of scientists who will be leaving both the USDA and the land grant community. If we can't replace them, I think we put ourselves at risk. We also, in general terms, believe that human capital development is critical to ensure the scientific progress in the future and the investment must be placed today. These are tomorrow's scientists. This needs to take place both in our graduate level and in our undergraduate level. We don't expect CSREES to fund this, but we expect them to be a partner with us.

Last and perhaps not surprisingly for those of you who you know me, building collaborative interactions between scientists, educators and students in the U.S. and other countries. The agricultural economy in the U.S. has changed rapidly in response to global forces. This is not rocket science. Increased CSREES funding for international collaborative research projects, exchanges and training and outreach programs will better position U.S. ag and ag professionals for the global economy. It's in the best interests of U.S. agriculture to work

with other countries to build ties for the future. Such ties can be critical when dealing with the global spread of plant or animal diseases, when building trading partners and when trading scientific information and germplasm. If there were a foot and mouth outbreak in Cuba, we would have wanted to have started five years ago in building those kinds of ties that permit you to pick up the phone and talk to your colleagues in Cuba before it joins Florida, before the disease gets to Florida. By adopting a more global perspective and balancing competitive and cooperative strategies we can better serve the U.S. producer. As a part of that we strongly support globalizing agricultural science education for America's task force.

Let me stop there and thank you for the opportunity.

DR. SCHWAB: Thank you very much. Everyone who's talking, feel free to -- I think we said five or ten minutes, but we're not overwhelmed with pressure to maintain the time table here today. So if you feel as though you have more to say than which you had originally squeezed into five minutes, free feel to continue

on.

The next person we have on the schedule is Vern Cardwell from the American Society of Agronomy. I don't see him so Phil Larsen from the University of Minnesota. Alan Ek from the University of Minnesota. Great.

MR. EK: Thank you. I'm Alan Ek, Professor and Head of the Department of Forest Resources at the University of Minnesota, College of Natural Resources. And I was pleased to have you both over on campus yesterday looking at some of our work, particularly in the remote sensing area as a technology area where CSREES support has been really instrumental in making things go and go fast. The topics that you have suggested that we have looked to for this meeting are really important to the -- what you might say is the forestry and forest products sector in the U.S. and particularly in this region. And I want to take the opportunity to focus on several parts of those topics. One, the question of key programs. Second, the development of capacity, research and extension capacity, program investments and coordination and then coordination as we have seen in particular has

really changed.

As a kind of a preface to this I'd point out that my research area, although some of my faculty wouldn't consider me still competent, is in the resource assessment area, making projections and then examining the status of resource trends and how they are used. That experience has largely been in the context of state, industry and firm opportunity analysis, and I've also served on the professional society and USDA advisory groups. Actually a ways back I was the chair of the USDA Forestry Research Advisory Council.

In any one year I'd point out that just my small group of faculty obtains funding from over 100 different sources in any one year. Last year I think it was 108, previously 120. And the diversity of those sources, some of which we seek and some of which really just come in the door, I think are clear evidence that society has much interest in the work that we do. That work has become more pressing and I'd point to some driving forces.

The last decade has seen enormous shifts in federal land policy from a production to a

preservation focus, and nearly everybody has heard of the spotted owl problem out west. And the spotted owl has gradually moved east and we have that situation in the lake states of Minnesota. If in terms of production industry up until the 1970s was able to pick the low fruit, today it's clear that we need a much larger investment in research and management or our society and the resource health will suffer.

At the same time we have an evolving situation where forest fire has become a disaster waiting to happen. There are parts of Minnesota I would not buy home or I'd be careful the size of the lake where I bought one. This is truly serious. Times have changed.

Complicating this is a society which is increasingly distant from the dynamics of the resources around them and yet it's a society that has a great interest in the environment. In fact, we've got an environmental conflicting industry that's really focusing on eliminating industrial and other uses of many of our basic forest and land-based resources. So our policy and decision-making has become very complicated. Clearly, we must have high productivity. We must

have high environmental quality. But we need research and extension efforts to get us there.

In view of this evolving crisis, and I think it truly is a crisis, the National Coalition for Sustaining America's Nonfederal Forests has developed a plan of action in the National Research Council Report. And that report entitled A National Investment in Sustainable Forestry: Addressing the Stewardship of Nonfederal Forestlands through Research, Education and Extension/Outreach stresses some of the topics I'll mention today. In fact, I borrow heavily from that report and points of coordination that we need.

We have some key programs and I wanted to touch on those in this area. The McIntire-Stennis Cooperative Forestry Research Program is really the lead and key forestry effort through universities administered by USDA cooperative state research, education and extension services. And many people might not recognize that the evolution of forestry research in the last 25 years has been such that the University collective efforts is the largest forestry and related research effort in the

nation. It's larger considerably than the U.S. Forest Service research and development organization. And we really deal with the problems and issues back home so to speak. So the program is critically important to how we deal with those resources and the economic health of society and associated environmental quality.

There are some priorities for that. A research program and borrowing from various sources in this region, never really understanding the structure and function of how forestry stands and landscapes work. Management strategies for productivity, monitoring methods and especially with new technologies, a focus on new products and improved processing. Actually we extend the resource by several percent each decade by this research and it's been consistent for a hundred years so those are investments that have truly paid. We need to continue to make them.

And then we need a real boost in the area of assessing the social values and tradeoffs to help people who make policy and economic impacts and informed decisions for stakeholders. We'll need the full talents of our University's

biological, engineering, analysis capabilities. And the kinds of programs we're talking about here really bring in more than than our immediate departmental faculty people across the institution.

The Renewable Resources Extension Program, RREA, is the lead forestry extension effort operating from the University. It's small. It needs a major boost. We've got less than 2 million farms and we have 10 million private forest landowners. It's a massive task. Yet we're really operating with just a few percent of the agricultural extension staff capability. The extension model for forestry would be different. It has evolved differently because of very modest staffing but you just can't reach ten million landowners effectively--there are 149,000 Minnesotans--with a very small program. We need a lot more to work with.

The competitive grants program, the NRI competitive grants program, is a significant source of funding for the basic cutting edge and applied research we're involved with, especially in the areas of national resources and

environment and plants. We need a major augmentation of that effort. And it was pleasing to see Senate action this summer to try to move in that direction.

So that's the three research programs that I really wanted to focus on. I'd also point to the development of research and extension capacity in these three programs are the primary means that we develop, maintain and develop research and extension capacity for these areas. The capacity issue in forestry is critical. There are about 700 scientists working in that or related areas at the universities, about another five or six hundred working in federal agencies for 700 million acres of forest, ten million landowners and a little over a thousand scientists. That's kind of a like a major health clinic with one doctor. It doesn't cut it. We will need to invest further.

And I point to these three programs as the major way that we train them. And nationally if we look we see that more than three-fourths of the scientists we turn out in this field really come from only 14 institutions. That's not a lot of capacity nationally. We have 3,800 colleges

and universities. We really only teach the subject at 70. There's really only 14 that are truly effective from a research standpoint. For a strategic industrial raw material for a major environmental quality resource that's not much of an investment.

We need rapid response. We need coordination and I'd point out that the landowners have multiple interests: water, wildlife, recreation, aesthetics. They are increasingly faced with multiple responsibilities for them and for government that looks after aspects of that.

So we need to in effect improve productivity, we need to maintain biodiversity. How do we do this and how do we address it quickly? How do we move out of the gridlock situation that has evolved? We see as our major cooperators the USDA Forest Service. There's been a long tradition of cooperation between Forest Service research and development and the University. But increasingly I point to the USDA Forest Service, State and Private Forestry as a branch that deals with these private nonfederal land issues, and that's one that we see us

partnering with more and more and links to that agency I think will be very beneficial as we move programs forward.

Program investments; yes, I have probably suggested already that these programs are funded in a very modest fashion. They must move forward in a substantial way and there are various recommendations out there for that. It's important to expand them for the work that they provide for the development of future capacity. In effect, they train the people who are going to go forward in the universities and agencies to deal with research and extension. And if we do so, I think that will make this more of a lead area of research. It will help USDA recapture the needed national research prominence in this sector that has been long needed. And the USDA we would hope would be able to recapture some of that reputation in many other areas over the next decade.

There is a polar case for where we might urge support of these programs. And that is that we're really talking about problems and opportunities that occur over many large areas across many ownerships. Individuals cannot

effectively deal with those large area problems. If you're an individual how do you deal with the gypsy moth across the eastern U.S.? It's out of individual hands so to speak. And benefits as we invest in research often accrue widely across landowners and society, plus it makes great sense that there be a federal role and impact and CSREES to play a lead role in that.

Finally I say this is an important area for activity, important area for investment. The needed investment is substantial, but I think the potential returns are enormous. They're crucial to our society in many ways that society has recognized and in other ways that they have not yet recognized. This kind of funding I think can make a major change in our landscape and I encourage your attention to these programs.

MR. SPURLING: Next is Charles Casey. Okay. Juan Moreno. Larry Coyle.

MR. COYLE: My name is Larry Coyle. I'm the leader for the University of Minnesota Extension Service. I'm also on the program panel for the American Business Education Consortium, ADEC.

The focus of my work and my research

interest for many years has been on the quality and educational effectiveness of the distance learning systems, technology-based learning systems and so forth. And recently in the past couple of years both the focus and my research interests have shifted to some extent toward the economics and sustainability of distributed learning systems for reasons, many of them you might guess, because of the economics of what we're dealing with but also I want to point out the difference between the two.

Distance learning tends to be thought of as basically a telecommunications system. Distributed learning systems include the human component. So that's what I'll be talking about are those types of components that include both the technology and the human components of learning systems. My comments today are specifically aimed at how the ag telecommunications grant program fits into that and at least from my perspective some of the changes that would lead to greater effectiveness of those dollars and perhaps some additional dollars.

I guess we've been involved, Minnesota

has been involved with ADEC for many years. I think that the administration of those dollars through ADEC has been very efficient and effective. It's a nice two-stage process. All of that I think has worked very well and been an effective process.

I think the outcome to date has been quite impressive. There's a folder on the table for those of you who are interested. It's basically an incubator program, an R and D program if you will, to explore different options. To date those have been very impressive and I think there are some seeds dropped that have some long-term implications for the system.

One thing that's quite noticeable I think is in the evolution of those grants is from fairly small focused programs internal to states to more and more that are multi-state systems, national kind of programs. And I think that that's from my background and interest and looking at the systems in all -- in both formal education and corporate world, that's a fairly predictable evolution.

Starting out with R and D, do these things work? Can you teach this way? Can you

learn this way? The resounding answer is yes with all the literature and research. And so I think that the evolution of that program has been a good one, it's needed and it's been developed. And I think it's time for some changes in that. And I suggest that those changes are, well, a couple-fold.

Number one is I guess the most fundamental, is to restore it to its original level with the similar kind of situation. With more interest and less money where there is a ten to one ratio or something like that for the grants certainly has slowed that down. But I guess what I would suggest that the most important change is the change of emphasis from an R and D kind of an emphasis to an emphasis or focus on sustainable programs, programs that perhaps are more broadly focused in individual state, regional, national programs and those that have some sort of a plan or business plan that will ensure that that program will be -- will sustain itself over a period of time.

The second part of that is a way to redirect or a system to redirect funding to those programs to show themselves to be effective as

regional and national programs. I can give you a couple of quick examples so I can put all this in perspective. I've been a co-PI on a multi-state project for the last couple years that was through an ADEC grant to explore a national model for delivering pesticide applicator training. The core -- for those of you who are not familiar with it, the core science for that program is consistent across the country. The core regulations, federal regulations are consistent across the country. The differences in each state are based on the differences, local differences in climate and local differences in regulations.

So our project was to design and develop a system whereby through the use of telecommunications we could deliver the core science, the core program on a national scale and that system -- that system would allow for the individual differences in the states. So for example, a farmer in Louisiana could take the core science, the core set of learning modules but then based on their log-in--the technology of that is not important--those modules that were state specific would also be available to that

individual. The first phase of that project was entirely successful. Technology is the easy part. The design went very well. It was a four-state project. We found the best minds in the science.

The second stage of the project was to build the partnership to try to make this sustainable in the long term, and that's where we ran into problems. What are the problems? The problems basically are that the funding to sustain that program are available, it's just that they're directed in a number of different ways. The funding for the education goes in one direction. The funding for the core education materials, the manual, goes in another direction. The funding for the testing goes in another direction. And what we were unable to pull together, at least in this particular project, was how do you address the system, even ask the question can some of this funding be redirected to a national program that has proven itself to be effective in an efficient system.

The second example very quickly is in the area of economic development. We tried a similar but a different model there. We found at

least in Minnesota we have a professor in business retention and expansion, internationally known, built it around the core of his work and started delivering his programming to economic developments in small rural areas. It was a resounding success. So the model there was to build from that core up, and at this point we have got participation from 17 states. We've all four of the rural development centers signing onto the program, but we're struggling because we're trying to run that out of a state level. Again a project that's shown itself to be effective has got support from all of the players but we're looking for the mechanism to try to either redirect funding or to build that into a sustainable program.

So I guess I would just say that specifically in the ag telecommunications programs I think it's been a wonderful program. I think it needs to continue to be able to identify those projects that can be sustainable on a large scale. I think that there either needs to be an addition to it or a shift in focus toward encouraging those projects or finding ways for those projects that are committed to building

a long-term sustainable program. I know that all of us have been in that situation where it's a wonderful program, grant funded and just when it gets at the height of its success the grant funding runs out and it dies. And in my view that's the least efficient use of funds that there can possibly be. Thank you.

DR. SCHWAB: Great. The next speaker that we're going to squeeze in is in addition to those on the list and try to wait for some of the other folks that we've skipped over. Michael Prouty from the U.S. Forest Service.

MR. PROUTY: Good morning and thank you for squeezing me in. I expect an influx of people here soon so the timing was great.

My name is Mike Prouty and I'm here representing the northeastern area of the USDA Forest Service. We're part of the state and private forestry branch of the Forest Service. The northeastern area territory covers the 20 northeastern states. I'm the field rep of the St. Paul Field Office. Myself and my staff serve seven Midwest states.

The state and private forestry branch of the Forest Service really focuses on sustaining

and protecting the nonfederal forests. And these forests represent over 90 percent of the forests in the northeast, and nationally over two-thirds of the nation's forests are not federally owned. Managing and protecting these forests is really critical to the public well-being.

For example, the issues related to these forests are pretty intimidating. Forests near cities are being cleared for development at an astonishing rate. Only 25 percent of forest owners who harvest timber in any given year use any kind of a professional forester. Water quality and high priority watersheds have diminished and basic species or taking over our forests and causing serious problems in terms of reforestation. Deer populations have increased dramatically and they threaten the biodiversities of our forests.

Wood products are energy efficient when compared to the use of steel, concrete and plastics. Forests are a principal attraction for recreational activities in our area. Trees reduce the carbon in the air that contributes to global warming. Finally, no one in our country has lived a single day without using some kind of

forest product.

For us to be effective in managing nonfederal forests in the state and private forestry branch really partnerships are key. Traditionally we've worked with state forestry organizations, but increasingly we understand the partnerships beyond just state forest organizations are critical. We're working to expand these contacts and partnerships particularly with the University community with research and with extension. And frankly, just without those kind of partnerships we couldn't deal with the issues facing the nonfederal forest land.

The northeastern area of state forestry provides funding and training, technical assistance and regional coordination for landowner assistance through state forestry organizations and other partners like the Cooperative Extension Service. For example, state and private forestry funded a survey of nonindustrial forest owners in the seven Midwest states that a cooperative extension agent at the University of Minnesota conducted. And the results of that study will give us insight into

the issues and opportunities relating to the management of nonindustrial private land and the results of that survey will also help our program to become more effective.

We also work with cooperative extension agencies in conducting workshops. Our extension agents help us to provide publications and help us to respond to growing numbers of requests for information from private landowners. I guess my main point here is something that Dr. Ek referred to, and that is that the professional forestry community is extremely small given the scope and the size of the forest in our country and the diversity of ownerships. I liked his analogy of a single clinic for a large community. And to extend that analogy I'd say that assuming we can't grow a lot of additional clinics, we've got to make sure that every member of that existing clinic is intact. And that includes federal, state, university research, county and nonprofit organizations.

And the Cooperative Extension Service is an important part of that clinic or that community. Extension foresters help extend the presence of state and private forestry. They

play a critical role in helping urban populations have an interest in forestry, how forestry relates to their everyday life and thus helps the general population support its policies. The University community and the extension service helps researchers transfer meaningful tools into understandable products. I'd say the potential for growing this partnership is real.

As you probably know, the Forest Service Research and Development Branch administers a national forest inventory assessment program that provides really the only consistent, comprehensive standard, consistent inventory of the nation's forest resources. This program is becoming an annual program and the expectations for the increased analysis and development of information products resulted from this program are high. And I think the Forest Service is going to more and more rely on partners such as the University community and Extension Service in developing customized analysis products that meet individual states and regional questions. So we need a strong university research and extension program in this clinic, if you will.

In truth, the value of these lands

really deserves more attention, more resources and a larger professional community to make sure of their wise use and protection. Thanks.

MR. SPURLING: Vernon Cardwell, I believe you just came in.

MR. CARDWELL: Sorry to be late although I didn't think I was. I'm Vernon Cardwell, Professor of Agronomy and Plant Genetics at the University of Minnesota and immediate past president of the American Society of Agronomy. And I'm presenting my comments on behalf of the American Society of Agronomy.

There's sort of a mixture of issues and concerns. Probably the most critical issue and concern of the American Society of Agronomy is related to the development of our human capacity in the food and agricultural sciences. And we feel that the most critical part of the continued support in this area is the full funding at the authorized level of the National Research Initiative. The National Research Initiative is one of the major contributors to graduate training and education for future generations of agricultural, food and environmental scientists. Retaining our global competitiveness, ensuring an

abundance of high quality, safe food while protecting our national resource base requires continued public investment in high risk and long-term research.

The returns on public investment in agriculture research over the last 50 years has been enormous with increases ranging from 35 to 60 percent per year. The easy problems have been solved. The easy gains have been achieved. Maintaining the annual rate of gain in yield or productivity is increasingly costly as can be easily attested by looking at the cost of research programs, whether it be public or private, to generate the next generation of new plant materials, the next generation of chemicals, whatever they may be. Research and education for food, fiber, environment and natural resources has been underfunded by almost any measure. Increased funding of the NIR -- or NRI should not be considered as tradeoffs for other USDA research funding programs.

Number two, changes which should and could be made in current funding mechanisms. In addition to asking for full authorization of the NRI, we recommend implementing the NRC report,

the National Research Council's report on the National Research Initiative. Two major points there that we strongly support: One, increase the NRI's grants awards to at least a hundred thousand dollars per year over at least a three-year period. And, secondly, to raise the indirect cost levels comparable to other federal agencies. The current 19 percent actually discourages many scientists from applying for grants through the NRI because of the pressures within their institution.

As we think about the effective methods for ensuring CSREES programs that address high priorities, one of the concerns that many of our members, and you must recognize that the American Society of Agronomy is largely composed of university community-based scientists. We strongly urge that the USDA should work internally to align national issues priorities among the various agencies such as ARS and CSREES, particularly in the setting of research priorities for NRI -- competitive grants areas and the areas in which ARS is doing research. We need to be on the same page.

CSREES should work closely with ARS in

the issue identification and research funding strategies. NRI and other competitive grants programs should be complementary and not duplicative of ARS or NSF or DOE or NIH programs. Research priorities of ARS and CSREES should be complementary of each other in their budget requests to Congress. Differences of opinion should be settled before we appear before Congress.

We recommend that the final list of priorities for research, extension and education across all USDA agencies be prepared by the National Agriculture Research Extension, Education and Economic Advisory Board. Make it the public that determines what the priorities are, not the agencies. They, of course, should have full input from the public and the agencies themselves in arriving at those recommendations.

The application of our new knowledge and its dissemination is dependent upon a vital rural America. Production agriculture is important as we've seen over the last 50 years the tremendous increases that have occurred. But if we look at increasing yields, whether it be crop or livestock productivity, for whatever reasons this

has not made agriculture more profitable nor has it kept more people on the land. Yes, it has made food cheaper in constant dollar terms. Farm programs and research for the 21st century must address an understanding of the complex biological, social and environmental relationships associated with managing the earth's renewable resources.

And so we have sort of three major points here. Future research and education should focus on the interactions and the interrelationships of food and fiber production system with health, health in the following context: Health of people as in how does our food production system influence the foods, the diets and the environments of people. Health of communities as influenced by the national resource production processing and distribution system and the associated impacts on jobs and the environment. And three, health of the ecosystems as influenced by the direct and indirect impact of human activities, including but not limited to the production systems of our environment.

Second, funding support for the national ag libraries. The present level of funding is

inadequate to address the archival needs that we have for the future, new technologies, the development of electronic and digital materials. The library plays a major role in assuring public access for dissemination of new information and new technologies, and we need to support it.

And third, USDA CSREES must be more proactive in support of education about food, fiber, environment and natural resources in a systematic and systemic manner. Public understanding and formal education in K-16 about food, fiber, environment and natural resources is generally lacking as we see the detachment of the people from the production and the processing enterprises. Just as we need to prepare qualified professionals in higher education to become the talent pool of the future agricultural scientists, we need to have an informed public prepared through our K-16 educational institutions to be wise food, fiber, environment and natural resource citizens, decision-makers and leaders in the future.

The office of Ag-In-The-Classroom is underfunded to start with and the failure to find a qualified director to fill the vacancy of

almost one year reflects a lack of leadership and commitment to the program.

Producers, commodity groups and private citizens have provided over ten million dollars of support in the last five years to support state Ag-In-The-Classroom programs and Food, Land and People, a national nonprofit organization, in developing, testing and distributing of curriculum and classroom material. All Americans should have a basic understanding of our food and fiber system to make wise personal and social choices about their health, the health of the landscape and the health of the environment. We recommend USDA CSREES review their staffing and operating guidelines, allocating resources to address these pressing needs for our collective future.

I want to thank CSREES for providing this opportunity and commend them for the efforts that they've put forward. Thank you.

DR. SCHWAB: Okay. I guess we're going to take a short break now, give everyone a chance to get the blood circulating and think about what we've heard so far and pick it up again maybe 10 after 10:00 or so. Help yourself

to refreshments in the back of the room.

(Break)

DR. SCHWAB: I don't want to cut off meaningful conservation, but we'll try to get together here and hear some more thoughts from the audience. We're going to start up with Dr. Phil Larsen from the University of Minnesota.

DR. LARSEN: Good morning. My name is Phil Larsen. I'm the Senior Associate Dean for Research in the College of Agriculture, Food and Environmental Sciences at the University of Minnesota, and it has been requested and I'd like to comment on some of the existing programs of CSREES that have an impact on the work that we do at the University of Minnesota and the people we serve.

The colleges that are included in the Minnesota Ag Experiment Station are highly dependent upon CSREES for funding to support their work. Primarily I'm referring to formula funds and various competitive grant programs and support for regional committees. With respect to formula funds, I'm referring of course to Hatch, McIntire-Stennis, animal health funds and I would also include the Smith-Lever funds which are so

important to the University of Minnesota Extension Service. The federal formula funds that are allocated to the college represent about six percent of our total funding to the college of ag. Although these funds do not represent the largest sector of our funding, they are extremely important to us and we want to state clearly that attempts to secure additional formula funds to support individual research projects and regional cooperative projects are very important. And we want to express our support for this source of funding.

Federal formula funds combined with our state legislative funds are the grist that provide continuity for research programs in the college. Almost all of our research programs require a base of operating funds and technical support from which faculty can secure grant support from various competitive grant programs like CSREES, the National Research Initiative, integrated pest management, sustainable ag and research education funds and other CSREES competitive grant programs as well as from NSF, NIH and other funding sources that we are increasingly tapping into now in ag science.

I would say at the same time as in my comments about requesting further support and enhancing support we have been for the last couple of years involved with AREERA reporting to comply with GPRA policy. And we encourage, we feel obligated to be accountable for the funds that we get and we'll do that. My advice would simply be that we keep working together to make this AREERA reporting process more user friendly. I think we've had discussions about that before, but I think that has to be an ongoing refinement process.

I'd like to comment about multi-state regional funds. One of the most important uses of federal formula funds is to support travel and some research support to multi-state regional committees. The collaborative network that is formed via the multi-state regional committees provides an extremely vital mechanism to catalyze regional and national collaboration among scientists on issues pertaining to agriculture, natural resources, veterinary medicine, community issues. Use of federal funds in this way must be maintained and increased if possible.

With respect to the CSREES National

Research Initiative, the National Research Initiative represents a major source of competitive research funding for our faculty that needs to be increased. Current efforts underway by the national CFAR, the Food and Society Initiative and CARET, the double funding for ag research in the next five years are certainly laudable. As you know, research funding for NSF and NIH dwarfs that allocated for competitive grants in agriculture. Our faculty are making inroads into accessing research support from NSF and NIH as well and have no interest in seeing funding increased in the NRF and in the National Research Initiative at the expense of NSF or NIH. We simply would want the funding increased for the NRI. We need to continue to fight for increased funding for the NRI and other CSREES competitive grant funds.

It seems that our federal legislature and the general public continue to take our food system for granted and do not fully understand or appreciate the complexity or fragility of that system. This will need to change if we are to increase support for agriculture research and education.

I would just, I guess parenthetically say, remind folks that the NSF and even though they're not under CSREES jurisdiction, I know there are a lot of partnerships, but NSF and NIH are increasingly important areas for funding for scientists in our college and I think also in the natural resources areas. And so we're going to be seeing much more developing I think in years to come.

Comments about the initiative for the future of agriculture and the food system or IFAFS. Our college faculty were engaged in about 50 applications for funding from IFAFS in this past round. IFAFS represents another significant new source of funding for agriculture research. Furthermore, these funds via their unique funding criteria have successfully stimulated significant interdisciplinary activity. These funds should clearly be continued and increased.

Managing the many subcontracts associated with these grants can be very complex but worth the effort. In a few cases, for instances, we had as many as 25 subcontracts with one grant and the grant administrator over at Central, her eyes were kind of out of stock after

she got through trying to figure out how to manage those. She got through it. And I think the point I want to make is that even though the complexity of handling these grants may be somewhat challenging, the interdisciplinary activity that stimulates are very positive. So we can -- we should keep up the heat as far as continuing to get funding for IFAFS.

Support for Extension. I want to express strong support for enhancing federal support for Extension programs. The University of Minnesota Extension Service has and will continue to be a vital link through which research-based information on agriculture and national resources and community vitality reaches the people of our state to help them make a living and improve the quality of our lives. Our partnership with Extension is dynamic and changes as our community changes. Without Extension we would not have the tremendous competitive advantage we have had and will continue to need to help us continue to help the citizens of our state.

In concluding here, lastly I want to state that I recently read the memo from CSREES

Administrator, Colien Hefferan, which lists the portfolio programs CSREES funding will support for the FY-2000 agency estimates. And I just want to say that I believe that the -- that the portfolio initiatives are the right ones and parallel those that we are proposing in our college. We've been involved in a prioritization process, Colien, and we find that there's a lot of similarity and correspondence between what we're thinking about and what we saw in that portfolio of programs. So I would certainly support that.

Also in finishing I want to compliment CSREES on its restructuring efforts to improve service to its customers, clarify roles and responsibilities and also to continuously improve your working relationship with University partners. Let me say that we at the University extremely value our relationship with CSREES and want it to continue with renewed vigor. Thank you for the opportunity to be with you today.

DR. SCHWAB: In keeping with the regional nature of our program and wanting to squeeze in some of our colleagues from the meeting next door, we're going to have Sharon

Anderson from North Dakota squeeze in at this point.

MS. ANDERSON: Good morning. I'm Sharon Anderson, Director of the Extension Service at North Dakota State University and actually I'm in a meeting across the hall. I have no prepared notes but I was asked to speak and, you know, a good Extension person, normally you can come up and address some issues. So it is my pleasure to do that and share some thoughts probably representing the Dakotas and maybe even further down looking at the plains area, some of the issues we're dealing with.

I do an e-mail update to the staff of North Dakota on a -- you know, whenever I'm so moved but it's like once a week, once every other week. I sent one yesterday and said here we go again, another interesting season. But I think it kind of shows the kinds of things that we're into in the plains area and especially into the Dakotas as you look at agriculture problems and concerns and then how we at the land grant university need to be thinking about that.

We continue to have Mother Nature playing all kinds of games with us. We have had

drought that we could hardly believe this summer. We've had rains and storms that we can hardly believe this summer. We still have our Devil's Lake situation that continues to flood. So what we find is that our agents, our researchers, our people continue to look at the changing needs of producers on an ongoing basis and the farm families and of all the families in North Dakota. Then you couple that with the current farm economy, the decisions that producers are having to make and families, off-farm employment, youth issues as you look at some of the small counties, the more rural counties in our state and you put all that together and it makes for a very, very dynamic educational effort that we in the land grant university need to address.

The problems are very serious. Rural issues coupled with, of course, people moving into some of our more urban areas. And they're not very urban to some of you, I understand that, but it adds a very, very interesting dimension to our work and one where I think as we continue to do our work more and more cutting edge issues, changing issues, adapting issues, being able to listen carefully and then get our work done

quickly to adjust to that.

The other thing I did this week is I did a new staff orientation for about a dozen Extension workers. And I started out by reminding them that they are in a system that isn't any other place probably in the world. They are in a system where they're going to be working at the local level listening to needs and developing a very unique program. It might not look like their neighbors program, but they have the resources of the state system and then that whole national picture behind them. And I think that's the thing that after 31 years in this system is the thing that still makes me marvel at being in a system that can operate like that. That can really build on each other and capitalize on each other.

We in North Dakota are an important link with Minnesota and everybody else in that link. Certainly as we look at funding, and I think that's one of the things that are issues, funding issues become critical. Looking at our federal partner, there are people who say do we still need that. As I look at North Dakota, and that's all I can really share right now, it is

absolutely critical. The relationship we have with our federal partner, the funding mechanisms that we have with our federal partner are absolutely essential to us continuing to do educational work at the local level.

The formula funding in my mind provides sort of that base operating to keep our system going, to be able to adjust to the issues and to be able to respond as quickly as possible. I used to think we leveraged those federal dollars pretty well. We leverage them fantastically. The amount that we leverage over and over with those federal dollars at the state level, at the county level in grants and contracts is just amazing. And many times it's because we have those dollars to be able to leverage that we're able to get new dollars.

I've been Extension Director for almost seven years in North Dakota. When I started we had about five percent of our budget coming from grants and contracts. Today 32 percent of my extension budget is from grants and contracts. We just received nearly a million dollar NASA grant which I'm excited about. All of that is leveraged on the federal dollars, the

partnership, the infrastructure, the delivery mechanism that we have to bring to those proposals. So I guess one of the things I just need to emphasize to a group like this is that we at least in the rural states truly capitalize on the system that's in place, that important formula funding.

And we're writing proposals. We're part of a big IFAFS grant. It's a biotech grant that Iowa is leading in, but we're doing huge work in it. So the grants at the federal level are good for North Dakota. We can't do them without formula funding to help support us. And that helps us too as we go to our state legislature. We bring that in.

Even counties. Those of you have worked at the local level I think understand this, but when I walk in and say to county commissioners if you'll pay half of the whole computer system in this office, we'll pay the other half, they think they've taken us for a great amount of money and they're excited. And we can get computer systems in these rural counties just like that. So it's a bargaining chip that we do all over as we do our work that is absolutely critical.

The other thing that--I don't know if you followed North Dakota very much in the last few years--has been the disaster issues that we've had. And there's a map that's put out by our ag statistics service that shows the number of times that counties have been declared a disaster area by the color of red. If you take a look at that, North Dakota and the western part of Minnesota are about as deep red as you can get. We have been disaster areas for significant reasons over and over and over again. It's been flooding, it's been drought or whatever.

The beauty of our system is that overnight we can respond to those situations. I'm so proud. We've gotten two USDA awards for how we've responded to the Grand Forks flood in '97 particularly and then to the flood in the Red River Valley in the year 2000. And literally our staff have been the first people on site to deliver healthy decisions, information, water quality, moisture, disposing of things, family communication issues. We've been on the air like overnight. We've been on radio stations. And it's that kind of thing that if we were going to put together proposals, get some money, get the

thing in order, everybody's disaster would be over and they will have moved away.

So I can tell you that in North Dakota with the changing rural economy, the changing people as well as the disaster issues, the responsiveness to that, the relationship we have at the federal level and all through the system is imperative and certainly the funding mechanisms that we have to maintain a strong formula and provide good alternatives for grants to work with neighboring states is also very, very important. So that's without notes, kind of a rambling on some of the issues, but the needs aren't going away, they're just getting bigger and more complex, but it makes my job more interesting. Thank you.

MR. SPURLING: Thanks, Sharon. A couple of names I called earlier I'll check to see if they have arrived. Charles Casey.

MR. CASEY: Good morning, everyone and welcome to Minnesota. I appreciate your willingness to come to our state. I'm serving as the Dean and Director of the University of Minnesota Extension Service. I really appreciate the opportunity to be here this morning and

discuss as my topic base funding support for Extension. And I trust that you've heard some of this pitch already so some of my remarks may be repetitive, but I think they're just as heartfelt and important to me.

I just would like to maybe take just a couple minutes and develop some context for my comments. I began as the Interim Dean of the University of Minnesota Extension Service on April Fool's Day of 1999. There may be some meaning there. I was appointed as Dean, as I said, on June 15th of 2001. Prior to that I worked at the College of Veterinary Medicine at Minnesota as Director of Outreach Programs. And my experience before that was as a rural veterinary practitioner for 27 years. I grew up as a part of a 4H family. And during my time as a veterinary practitioner I saw producers improve their farm enterprises through Extension help. I saw youth and families assisted by Extension. And my own professional development was enhanced through the use of Extension veterinary at the College of Veterinary Medicine. Further, as a member of the University of Minnesota Board of Regents for 12 years I became very aware of the impact of Extension

across the State of Minnesota.

So as a user of Extension programs I saw what happened in the early 90s as we lost some positions across the state. And currently as Dean I look at our budget reality and know that we have some difficult choices ahead of us again. I just relate this to you to let you know that I've been a user and consumer of Extension services much longer than I've been an administrator in the Extension Service.

In hopes of just giving you a brief picture of the impact of almost no increase in funding on our base funding since 1992, I went back to our people in our accounting and asked for some numbers, and I don't want to belabor the point. I think others are making the same point. But in 1992 base funding represented about 20 percent of our funding and in 2001 it's going to be about 15 percent. Fortunately, our state and county funds and our grants have increased, but clearly the federal partner has not kept up with our state and county partners.

Another way of showing the impact is to estimate the cost of unfunded salary increases on our federal formula funds. We assume the three

percent increase on average each year on about 85 percent of our federal formula funds that are received during the previous year and we show either a shortfall or a surplus of funding. And under those circumstances on average over the past ten years the salary increase shortfall was approximately $120,000 a year. So it's a real cumulative effect over a number of years. And I want to emphasize that I am talking about the base funding and not earmarked funds.

I acknowledge it's difficult to quantify what we could have achieved if we would have had that funding, and I think you're aware of that and probably well aware of some of the figures that I've mentioned here. My concern is not so much about the past as it is about the future; how are we going to respond to some of the current and future needs that we have. I know you probably heard some specific examples, but I'd like just to cover a few core areas that are important to Minnesota.

First I would begin with education programs for our new populations and our underserved audiences in the state. Juan Moreno will speak eloquently about some of Extension's

work with our people of color, but our land grant tradition calls us to serve this audience as Extension has from the time that it started. I would ask that this be a state and county responsibility. How do we add trained staff to meet some of these challenges?

Secondly, it would be on technology education. Rural areas are asking for help in connecting to the digital economy. Access Minnesota Main Street, which was funded by some special funds from USDA, is a visible valuable program, but staff need additional training and more staff could improve and increase our offerings. Yesterday at the rural summit in Minnesota, which was a gathering of 1,200 people to look at rural issues, Governor Ventura in his lunch time talk said he wanted his Commissioner of Administration to work with our Extension Service to help educate rural residents. It's a great opportunity, but we may not reach the potential because of our shortage of staff.

Thirdly is the community development in economics. Again at the rural summit yesterday there were many -- all week actually there were many presentations on building human capacity to

improve communities. And I would add that building community is as important in our urban and suburban areas as it is in our rural areas. We are proud of the many youth programs we do, many of the leadership programs that we do, but we know that much more needs to be done.

Fourth, I would just talk about biotechnology/food safety issues. This has potential to have significant impact on our producers and on our larger consumer audience. Few issues generate such passion and divergent opinions as the influence of biotechnology on the safety of food that we eat. There's an enormous opportunity for Extension to provide educational programs to the public. We can reallocate some resources and we will, but it's difficult to meet all of the future needs.

Lastly, I would say that the current status in the agriculture economy has in the past and continues to put severe stress on our youth and families. And we face some similar challenges with our new populations in our urban areas. We must respond to these issues.

I just want to conclude my remarks with two points: First, in the early 70s the

University of Minnesota Extension Service hired a young veterinarian from Illinois to be a swine extension specialist who criss-crossed the State of Minnesota working with Extension personnel, veterinarians and swine producers. He brought new production and disease management information and became a national and international leader in swine production. He died almost ten years ago, but today if you ask the people in the swine industry in this state who is the most influential person in elevating Minnesota to number three in the country in swine production, I believe nearly everyone would say it was Dr. Al Lehman. He was funded on base funding. Given the same situation today, I'm not sure we would have been able to make that hire.

Secondly, my colleague, Dr. Al Solem, Dean of the College of Natural Resources, has often said the following: I'm willing to compete for grants, but I need people in a position to compete. Base funding helps provide people. I fully support my colleague Phil Larsen in some of his comments on funding for research, but without the dissemination of that research the public does not receive its full benefits.

Thank you for your attention and the opportunity to be with you today.

DR. SCHWAB: Thank you very much. Next we'll hear from Juan Moreno from the University of Minnesota.

MR. MORENO: First of all, let me express my deep appreciation for the opportunity to have a voice in these important conversations this morning.

In my opinion, one of the most significant megatrends impacting our state, Midwest as well as the rest of our nation, at this point in our history has to do with the demographic shift of proportions unparalleled since the passage of the First Morrill Act in 1862. As an example, since the beginning, the State of Minnesota has had a significant American Indian as well as African American presence. In addition, as the state has continued its strong tradition of providing a permanent home for migrants, immigrants, refugees, asylum seekers from all parts of the United States and the world, the diversity of the state has become much more diverse. Although human diversity has always been present in the State of Minnesota,

there's no question that the state is currently entering a new era of greater racial and ethnic diversity. This has taken place at a time when other historically excluded and underserved populations are also gaining increased voice and visibility in the social landscape. As a consequence, communities large and small across Minnesota, but most particularly those in rural areas, are experiencing a significant demographic transformation, making the state into a richer mosaic of races, ages, nationalities, religions, backgrounds, cultures, incomes, abilities, lifestyles and orientations.

How this growing diversity aligns with Minnesota's economy will affect the future quality of life in this state. Already the state's economy increasingly relies on a diverse work force. People of color are a growing cornerstone of the work force in the hospitality industry, horticulture, nursery and landscaping operations, the construction trades, meat and poultry packing, the dairy industry, food and vegetable processing, and many other agriculturally related businesses throughout the state. The Latinization of the work force in the

agro business sector of Minnesota's economy in particularly is glaringly obvious today. Additionally, tribal gaming and casinos are a major employer as well as an important engine of economic growth and development in many rural communities of the state.

While many of Minnesota's more than half a million people of color, nearly 12 percent of the total, are prospering economically, a disproportionate share clearly are not. Gaps in incomes and education between whites and people of color are large and often growing in this state. An increasing proportion of the state's children are poor children of color. Additionally, a disproportionate percentage of the prison population of the state are African Americans as well as other racial and ethnic minorities. And the arrest rate for violent crimes in some communities of color is as high as 21 times that of whites.

All of these significant and disturbing trends call for bold initiatives to reverse a course towards greater division, fragmentation and exclusion of a growing and changing segment of our society. To ignore these trends would be

to invite a serious decline in the state's quality of life and position in an increasingly diverse and interdependent global economy.

The University of Minnesota Extension Service has had an extensive track record of accomplishment in the area of diversity and inclusion. In fact, I will leave with the people in front today a videotape that more eloquently describes this work as well as some demographic profiles of our state. Extension is today more than ever well-positioned to continue to be an important catalyst in the education, training and development of enlightened and informed community leaders from all walks of life--but most particularly in the rural context--who are capable of ethically influencing the course or change in an increasingly complex and interdependent world.

In my own personal experience the chronicle of the Chicano/Latino population of this state--the sons and daughters of a unique marriage of cultures who's very birth was forged within the crucible of conflict and dysfunction in the accidental historical encounter between Europe and America more than 500 years

ago--continues in large measure to be intimately tied to the quintessential commodity called sugar. Over the past 100 years hundreds or thousands of migrant seasonal farmworkers, most of them Hispanics, have come to Minnesota to work in the sugarbeet fields of this state. Minnesota is the largest producer of sugarbeets in this country. As a consequence, the vast majority of Hispanics who today call Minnesota home can trace their roots back to a migrant seasonal farmworker experience. Our collective roots in this state are as deep and as agrarian as the black Minnesota soil upon which we have and continue to toil.

I personally also paid my dues in this regard back in the late 1960s when as a teenager I earned my living during the summer months by hoeing and thinning sugarbeets in the extensive fields of the Red River Valley of northern Minnesota. Even though during those years I heard about Extension programs such as 4H, I never actually participated in them. Extension and I had our first encounter only about ten years ago when I was asked to do some consulting work with the University of Minnesota Extension

Service in rural Minnesota. It was as a result of these encounters that I subsequently came to work full time for the organization, some three years ago. Extension and I missed each other during my growing up years. I am glad, however, that my experiences with this organization have come to me in my adult years and provide Extension organization that is authentically trying to become much more inclusive by intentionally focusing some of its collective work on historically underserved audiences.

In my opinion the true greatness of the National Cooperative Extension Systems resides in those important moments in history when it has given concrete form to ideals for building and reinventing a truly new world. When it has been a source of a sense of hope, inspiration and liberation for the less fortunate, the new immigrant, the disenfranchised, the excluded, the peasant, the powerless, the underserved and the marginalized segments of our society. When it has contributed meaningfully to the ongoing advancement of our unique experiment in democracy. When it has stood for justice, environment stewardship and equality of

opportunity in the midst of conflicting priorities and values. When it has promoted a spirit of renewal and given impetus to the sustainable progress of humanity.

The true friends of the National Cooperative Extension System will always want to see it at the forefront of historic transformations and not as a defender of an old world in decline. The times and the clientele have changed, the need for the National Cooperative Extension System has not. Now more than ever Extension needs fiscal and human resources--strong core support as well as focused efforts--that are commensurate with the challenges and opportunities of a new demographic reality in America's breadbasket and beyond.

Thank you very much.

MR. SPURLING: Steve Olson from the Minnesota Turkey Growers.

MR. OLSON: Thank you. My name is Steve Olson. I am the Executive Director of the Minnesota Turkey Growers Association, the Minnesota Turkey Research and Promotion Council, the Turkey Association of Minnesota and finally the Midwest Poultry Federation and we're also a

member of the Midwest Poultry Consortium. In the past I've had a chance to work with the College of Agriculture's Alumni Society as a board member and as an Extension Committee member for the Ramsey County Extension Service.

My main topic for concern, or not concern but comments today, are offered toward some of the things that are facing the poultry industry in the state of Minnesota. Minnesota is the largest turkey producing and processing state in the nation. We recently recaptured that from North Carolina in the year 2001 and that's a bragging right. I'm not sure what else about it it gives us, but at least we can say we are the number one processing and producing state for turkey. We're also ninth in egg production for chickens and we have a major producer in the state as well. With respect to the turkey industry we are probably the largest state, we probably have more independent growers in this state than any other. I don't know what the exact numbers break down to, but do have a large number of independent growers in this state.

The Minnesota Turkey Growers Association is the entity that represents those on

legislative as well as research and promotion activities through the Promotion Council. We have approximately 600 farms in the state. And what I would like to talk about today, I don't have a lot of experience with CSREES as of yet, but I've been in this position for about ten months or so and in previous positions I've had some contact with USDA but not specifically to this program. But I do expect that I will be becoming more aware of it and interacting with it as time goes on.

There are two things I'd like to address. One is the fundable research in the early stage or maybe within the topic area of addressing emerging challenges and then capacity. And I too would echo comments that have been made by Dr. Cardwell, Dr. Larsen, Dr. Casey as far as the need for the research to support the University of Minnesota and the programs they have. And I think I'm probably one of the few representatives of industry today and hopefully that carries a little bit more weight too in some respects.

With respect to the funding research in the early stages, I think that what I mean by

this is solving a problem before it becomes a big issue. Minnesota's turkey industry is currently fighting the aviant pneumovirus disease situation. Fortunately and unfortunately, we're the only state in the country that does have this disease. It cropped up in Minnesota back in 1997. Prior to that it had been in Colorado in 1996, 1997. Their industry structure was a little bit different. They were able to eliminate it. We have been dealing with it since then, and although I don't know the exact numbers offhand, I want to say that between the growers, the University of Minnesota and the State of Minnesota we have put about two million dollars into research into fighting and eradicating this disease. Our goal all along continues to be eradication of the aviant pneumovirus from Minnesota.

The disease, the impact of the disease on the state is that it costs the growers about 15 to 18 million dollars per year, and that's in increased mortalities of birds as well as lower weights when they go to market and they produce just basically slow growth and impacts the profit for the growers. And in several cases it's

caused growers to go out of business basically because they haven't been able to recover from getting hit from the disease.

Turkey growers do not receive any kind of a federal -- ongoing federal assistance that I'm aware of. I'm part of the farm belt and we typically haven't requested a lot of funds at the federal level. We do have a request in through Congress in the ag -- we're requesting money from the Ag Appropriations Bill for research money to fund aviant pneumovirus research and then basically strengthen what's going on here in Minnesota as well as complement what's being done with funds that the ARAS receives. As of right now I don't know exactly where that is. It's in the Ag Appropriations Bill.

Also again, as I said, I don't have much experience with the CSREES funding program, but I have heard of a proposal that was sent to the National Research Initiative that wasn't funded and I think one of the comments sounds like it was because it was specific only to Minnesota. And while I can understand that we're all looking at getting the biggest bang for our dollars, this is a situation that the Minnesota Board of Animal

Health views aviant pneumovirus at the same stage today that pseudo rabies was in swine 20 years ago. Our goal is to eradicate it in Minnesota and prevent its spread to other states, so that's the reason for the vigor that we've demonstrated in requesting funds and proposing the research on understanding and eradicating this disease.

The second area I'd like to talk about is human capacity. Human capacity I think is probably the single most important asset or key to the infrastructure for the turkey industry and the poultry industry in general in the state. We rely on the University of Minnesota for professional and technical employees but, as Juan Moreno mentioned, the demographics of rural Minnesota are changing and we have an increasing minority population both in the processing facility but also on farms for employees. And that is an issue that we see we need to get better at addressing. And so I guess that's another comment in support of the need for USDA to play a role in helping industry strengthen the human capacity within the state.

And I mentioned that we are a member of the Midwest Poultry Consortium. That entity is a

multi-state group that has a charge of providing educational opportunities for college students in the poultry science. Many of the universities have had to eliminate the poultry science departments. And this group has put together an intensive program during the summer that is supported by eight or nine or ten states. It's an opportunity for students to get some intensive poultry science training. The other thing that we are branching into now is collaborative research so they've requested some funds again through the Ag Appropriations Committee to support that, their work, and to strengthen the research that's being done in Minnesota as well as bordering states.

I mentioned that I had served on the Ramsey County Extension Committee up until a few years ago and had a chance to see a lot of programs that Extension does up close and hear a lot of stories from people that were directly impacted by some of those programs, including the Expanded Food Nutrition Program. Ramsey County, I think it's home to one farm in the whole county. It's the state's most densely populated county. I guess I'd echo the comments that Dr.

Casey had regarding the importance of base funding for Extension. And with that I think I will close my comments.

DR. SCHWAB: Thank you. Next we'd like to hear from Bert Stromberg from the University of Minnesota, College of Veterinary Medicine.

MR. STROMBERG: Thank you very much for the opportunity to have some input, albeit requested at the very last minute this morning. I'd like to make a few comments particularly supporting the formula based funding, particularly animal health, and then the IFAFS program as well as NRI and the national deans. These are very important to animal health and veterinary medicine in particular.

We have several diseases that we address in our state. One was just mentioned by Steve Olson in terms of the emerging aviant pneumovirus in poultry, particularly in turkeys. We have Johnes disease in cattle, another disease we're finally starting to pay more attention to, and it's important. PRRSv virus in swine. We've had several successes. And the one that perhaps is most notable is the control of pseudo rabies in

the State of Minnesota.

We're also looking at programs that these funds support such as the responsible use of antibiotics. We just funded a grant relative to responsible use of antibiotics in dairy products in dairy cattle, particularly at a time when we're spending a great deal of effort worried about antibiotic use and antibiotic residue in food products.

We have taken some of these dollars that we've had and competed for with NRI and IFAFs with genomics. We've been successful in identifying the entire genome of pasteurella. We've almost completed the genome cryptosporidium. It has significant impact not only on animal populations but also on human populations, water quality. It's rather pervasive. This offers the opportunity from taking some of the basic research and using it in translational research, taking it to the user, providing us with opportunities for rapid diagnosis procedures, production of vaccines and overall in the development of food safety programs.

The Extension component is something

that we require of almost all of the programs that we are involved with. And I know most of our faculty are very interested in trying to include those in both IFAFS--they're required to include them in IFAFS--and NRI proposals. Multi-state funding is also very important. As was mentioned by Dean Larsen, it's the multi-state projects that often provide the opportunity for collaboration with colleagues in states both near and far in taking some of these programs to the end user.

One of the other comments that I would make that was mentioned relative to IFAFS contracts and all of our subcontracts, I would also make the plea here to consider increasing indirect cost recovery dollars to those of the other federally funded projects at 19 percent, and using several multiple subcontractors becomes a situation where grants actually cost the university money to administer.

I would finish with the comment that we certainly appreciate the funding in these areas, but we also would like to make the plea that these are very important issues not just to animal health but also it then translates to

human health. Thank you.

MR. SPURLING: Will Anthony, University of Minnesota.

MR. ANTHONY: Good morning. And not the University of Minnesota although I have a fond regard for the institution. I'm a farmer in Nicollet County, Minnesota which is about 80 miles south and west of the Twin Cities.

First of all, thanks for the opportunity of being here. I commend CSREES for holding these sessions not only for input from scientists and educators but from people like me who have the opportunity to use the output of the product, the output of the product that's really generated by the funding that your agency does in these programs.

There's not a big clock in front of me, but I'll try to keep within the five minutes. And I'm going to talk in very general terms rather than in specific terms with respect to projects. First of all, I realize full well that I might be redundant and repetitive. I just came into the room a half hour or so ago and probably everything has already has been said and therefore you might want to take my remarks as

simply an underlining or underscoring of points that have been made by other people.

I want to begin by pointing out to all of us in this room the way in which CSREES at this point has become the major vehicle, if not the vehicle, for implementing that magnificent concept that began with the land grant system back in the 1860s and led to the kind of system that's been put in place now, the system that has the tremendously imaginative partnership of federal, state and local public involvement in programs, the great partnership of scientists, educators and extension outreach to the public, tremendously creative concepts that have been put in place and followed by public policy since then. And you need to realize in CSREES--boy, that's a mouthful to say--in CSREES that you are a principal vehicle for implementing that concept with the public good and you continue to be in terms of implementing the concept in new ways and in creative new developments of putting together science, knowledge and public information.

I'm going to be giving -- at this point I'm going to give you a very specific example of the kinds of projects that I think only CSREES

can be an agency to facilitate. It's a project that I've become involved with as a citizen and deeply concerned with the Minnesota River nitrates which in turn is tied to hypoxia in the Gulf so it becomes a national issue of public policy. I'm deeply concerned with the way in which we in agriculture are conducting ourselves with respect to that very specific and very great public problem. The project was put together by the University of Minnesota in conjunction with other agencies requesting funding. I don't know where the request has come at this point, but it does involve a way of putting together scientists from a variety of disciplines in soils, climate, water, agronomy, economics as well as agency people, the Minnesota Pollution Control Agency, local county government agencies, local extension and state extension programs in the type of a project that is a new way of putting people together to address an issue that has profound public significance that has not been adequately addressed at all by the regulatory agencies. And we have a major challenge of education not only to the public but also to regulatory agencies in this sense.

It's the type of a project that I think is uniquely appropriate for the way in which CSREES does business and the way in which you can be a great catalyst in putting scientists and educators and the public together in addressing significant public issues. As time goes by we'll see whether or not that specific thing gets funded, but I mention it not in terms of looking at a specific project but in terms of an example of the type of thing which is very important to the agricultural public, extremely important to the general public and extremely important to the nation as a whole but which has very specific local ramifications in the kind of decision-making that we do.

A second set of comments that I want to make is with respect to the general area as what I and the members of the public see as needs in which your agency does business. The needs again I'm sure are nothing new. But first of all needs with respect to accountability. And of course you realize the issue of accountability in terms of whether or not you are doing a good stewardship job of administering the public funds, but I want to point out that there is also

the important dimension of public accountability. And by that I mean this: Not only do you need to look at the way in which agency and bureaucratic accountability is established but the way in which that accountability can be transparent not only for members of Congress, who obviously are terribly important, but for members of the public in general to have the broad public understanding that these programs are effective and very worthwhile and terribly important pieces of the uses of the public treasury and are also put together in a way that is relatively easy for the broad public to understand what happens to the money, what the results of the work are and what can be an important function of society in the longer term.

A second comment with respect to needs has to do with flexibility. You've probably heard a lot about that already, but flexibility in terms of looking -- maybe I should say flexibility and creativity in the way of putting people together in ways that have not been traditional and not traditional in the way in which our academic disciplines have tended to be put together over long periods of time. Ways of

putting scientists together, ways of putting together educators and ways of putting together public information. And again I think it is your agency which is in a unique position from the standpoint of pulling together and having a national perspective on the way in which these scientific endeavors and the related education and extension programs are put together for the public good.

Finally, a comment or two with respect to the way in which you as members of CSREES are extremely critical partners in putting all of these things together. To be sure, we can have scientists from Minnesota, Iowa, Illinois and wherever gathering themselves together, but there's no way to cement relationships like a project cements relationships in putting people together. Putting people together in the way of developing new scientific endeavors and in the way of developing new educational programs which probably initially become the traditional -- what we think of as traditional extension programs but ultimately and very soon move back into the classroom in the way in which those in which the course work is conducted as well.

And among the tremendously important issues that I as a member of the public see that we need to look at are the environmental issues, of which I gave you one example, the biotechnology issues where we have enormous investment of private research dollars but very or precious little public investment in the way in which these technologies not only have an impact on the public but have an impact on the way in which the public perceives that it has an impact on them. The food safety issues, the nutrition issues, the rural development issues, all of which are critically important. I'm sure others have talked about them, but again I simply want to underline and give an example and stress the two or three points which I made. Thank you for the opportunity to be here.

DR. SCHWAB: Next on our schedule is Steve Renquist.

MR. RENQUIST: Thank you for receiving my comments today. My name is Steve Renquist actually but you came very close, R-e-n-q-u-i-s-t, if anyone cares to make a correction. I'm a Sibley County employee. It will show the University of Minnesota in your

agenda for today. I can say this: I went to the University of Minnesota. I went there before they raised their academic standards and I graduated nearly 30 years ago. I'm not sure I would get in now. Having said that, I bounced around the country just a little bit in a number of government jobs. I've worked with economic development programs and planning associations in Iowa, Nebraska, South Dakota, Minnesota and in fact for seven years I was a city administrator here in Minnesota. Now I'm the Director of Economic Development in Sibley County, Minnesota and sundry other -- actually administrator for Short Line Railroad and that's a whole other topic.

I'm here to talk to you today about a topic, everyone wants to help rural America. Everyone. Who doesn't want to help rural America? My goodness, this is the breadbasket of the world. It's the heartland of the United States. It's the soul of this very country. Most of the metropolitan areas are only what they are today because of what rural America gave them nigh on many years ago, so the question is how do we do such a thing? I can tell you the struggle

out there. Where my association is today and my comments, however brief they may be, will be in support of my beloved university, the University of Minnesota and specifically their Extension Program.

I can tell you it is the Extension Program that takes the esoteric, that takes the philosophical that we may work in our imaginations and through the intellectual people in the learned universities that we have and takes it to the pragmatics, takes it to the practitioners in the field.

Though whatever else I may be, I'm a practitioner of economic development. I'm a grower within Sibley County. I believe in rural America. I believe that we can have a rebirth and we can start growing rural America again. One of the ways that we're going to do this is by finding out what our strengths are, what our needs are and what the specific needs within specific areas are.

I've been for quite a number of years now a believer in what's called the Business Retention and Expansion Program. George Morris is here today. I'm sure George is available for

your comments. He's an extremely influential international person in the Extension Program.

I can tell you that in Sibley County in 1991 we did the University's Business Retention and Expansion Program. The aftermath of that program took a county that for 30 years had been shrinking in population and had had more jobs and more people leaving the county and going outside the county for its growth and were actually out of the 87 counties in Minnesota were ranked 85th in terms of the weekly wage rate earned within the county. Since that time, and I can tell you I'm not the only one that would point to that Business Retention and Expansion Program and what we learned from it at that time, and those people -- I happened to be the administrator of the county seat in that county, Gaylord, at that time. Gaylord had a vacant industrial park that through the Economic Development Administration had been developed some years before that. Nobody, nothing was in it. Over the next five years we filled that industrial park. Ten million dollars of new development. The secrets that we've learned from the Business Retention and Expansion Program gave us the tools that we

needed to make the infrastructure repairs, to do the job training programs and do the other activities that we needed to do with the help, the assistance, the guidance and the mentoring of our friends from Extension at the University of Minnesota. So I can tell you that, you know, we look at higher education and higher learning sometimes as on some type of ivory tower and some type of a plateau. It was through this vehicle, through this mechanism that we were able to make some significant changes.

I don't know at what level of funding that those people here today can affect over programs such as that, but I would tell you there's people like myself out there where the rubber meets the road that need more than just money. We need tools. We need advice. We need to know how you take that money and do something effective with it. We need to know how to reach out to our own constituents. And it's programs like this that are making a difference. I would urge that you continue to support them to whatever level that you have done and I would urge that you do so in the future.

I've probably either used up my time or

your patience. I'll be available for any questions that you might have at some later date. You can contact me through -- I'm on the University's Extension Committee. As you can see, I'm a supporter of it. I can be reached in any number of ways. Thank you very much for your time today. Good luck.

MR. SPURLING: Next we have Dale Blyth. Marilyn DeLong.

MS. DeLONG: I've been a faculty member at the University of Minnesota for quite some time and recently took on a position of Associate Dean for Research and Graduate Education and have participated in the plan of work for the University of Minnesota for CSREES and have been very aware of the accountability issues that have come up and that kind of thing, the need for AES and Extension to work together, the interest in developing and fostering interdisciplinary teams. And so I want to talk about number 4 in the materials that we received, effective methods for ensuring that research, education and extension programs address the highest priority needs. I'm in a college where the components of the college are family, social

science, social work, science, nutrition and design health and (unintelligible). We aren't a huge recipient of federal funding but we do embrace the values and priorities that federal funding allows. And in my position of managing AES funding in the college I've been reading with interest Colien Hefferan's proposals for inserting accountability. And this particular one I think has been successful in the last several years.

I and the Associate Dean for Outreach and Extension, Kathy Solheim--and she can comment when I'm finished talking about this--got our heads together and we had small amounts of central funding and we decided that it would be a good idea to take our values and our priorities and try to do something with it. And so we for several years have picked an initiative that is an over-arching initiative. It's not something that is not available within the college, but we would like to foster it, encourage it and support it. So we've picked initiatives like economic development.

This year we're picking the demographics of the aging population in the State of

Minnesota. And we have invited our faculty to a half-day or full-day workshop on this topic where we include things like speakers. We include sharing of the faculty who we ask them to brainstorm about how their particular areas of research or Extension outreach might fit into this particular topic that's focused. We invite external funding sources to come to this meeting--these can be local and state funding sources--to encourage people to learn about the funding that's available in the state and locally. And these are appropriate to the particular initiatives that we're looking at.

Then we send out an RFP for small amounts of seed money and ask them to submit a two-page proposal, their budget and how the proposal addresses the issues that we value. This goes through a blind review that includes representatives of AES and MES, and those who receive the awards are provided with seed money for a year.

And the result has been rather phenomenal. Because we've been combining education or the learning process through the workshop to capitalize on the particular area of

interest and then to talk about AES funding and MES funding and try to combine those with the value of research to outreach initiatives that this is one of the criteria that we're interested in, we've been really quite successful. We've funded about six projects so far and we have discovered that this taps new revenue sources. I believe 95 percent of the projects that we funded have gone out and actually have received external funding.

It encourages faculty, county field staff to work in teams that they haven't worked in before. The outcomes have been positive and successful in promoting our initiatives. It's affected our teaching in a number of instances. We've had research to outreach component and then have included that in areas within the curriculum at the University of Minnesota. So in my mind this is an effective method for CSREES to look at local issues, small pots of central funding and how that can change an initiative or redirect and focus funding.

Do you have anything to add to that?

DR. SCHWAB: Thank you. We're going to check again for Dale Blyth check.

MR. BLYTH: Thank you for the opportunity to be here and to talk about the Cooperative Extension System in relationship to youth development. Youth development is an area of investment in human capital and social capital that's critical for our country and society not only in the rural communities but also in the metropolitan areas of our state. As we seek to make those investments it's important that we learn the lessons of the research and education and Extension outreach efforts, which is that the integration of those three efforts is particularly critical to success; that when we only operate in one of those areas, whether it be research or education or outreach through Extension, we tend to weaken our efforts rather than strengthen and give them maximum impact.

One of the implications that I perceive particularly for the youth development field, particularly now that it has evolved into a scientific field, is that we are ready to strengthen our investments across those three areas and strengthen the interconnections of those investments, to strengthen the ways we get research done around youth development and

enhance that research's ability to speak to practical issues that affect the communities in which youth live. Youth don't live just in a nation. They live primarily in their local communities. And to be able to think and translate that research and that knowledge we have through education to a wider variety of audiences, not just to youth but also the caring adults that work with youth as both volunteers and professional staff.

One of the things that have emerged within the last year is a new model of shared leadership in the 4H youth development system. It's called The National Forum to Develop Leadership Trust. It's a partnership designed to bring together the USDA, the private sides of the National 4H Council, the state leaders and the land grant systems, all three varieties, as well as youth and the private foundations in each of the states to begin to create a more unified voice for and an effort to help move more stategically in a unified fashion the efforts of Extension's and land grant system's work in the area of youth development.

One of the things that that trust has

done is to unite around a centennial effort for the year 2002, the hundredth anniversary of 4H programs. And that will involve a number of congressional efforts and things that I think will really make a difference in the visibility of youth development and Extension work in development particularly.

Another one of those efforts that talks about the integration issues deals specifically with the issue of how do we strengthen the research component. So the report of these issues roughly next year at this time will be talking about how do we stimulate enhanced research on youth development.

That has important implications for USDA and its different funding mechanisms. The formula funding mechanisms have been stable, which means they've been decreasing essentially in their impact and ability to impact. If youth development is going to be able to move forward, it's quite happy to compete in a competitive process for grants and contracts that are a part of the overall way in which USDA funds, but it needs to be able to compete on an equal basis or on a targeted basis. If the competitions do not

have an ability to emphasize some of the kinds of target issues that are so important to the youth development side of things, whether they be specifically related to agriculture, food safety or human and social capital, just being able to make sure that they can compete on a fair ground both with in-state competition as well as the national parts of the system I think is an important area that we need to be looking at.

I want to relate just one story of the extent to which I believe we are having success in Minnesota in leveraging those dollars. We need to recognize that federal dollars, though very important, are a decreasing portion of what we have available to work with and a critically important tool in leveraging. So through the work of the Children and Families At Risk Initiative and some of the federal dollars that are there, somewhere in the technology area they developed a cybercamp model, an ability to be on-line for kids to have a safe place to go to learn about different things and log in on a kind of camp analogy if you will. That is now leveraged in the leadership in Minnesota and around the country, a 1.3 million dollar grant

from AT&T Family Development Fund to take that idea and get it to a commercially viable fee for service type of thing that youth can participate in and in which employees in various corporations can sign up for, saying this is a benefit we want our families to have, their ability to get their kids on-line in a safe, educationally sound, engaging way. That's a great example of the kind of leveraging that can happen when there's strategic investments made on a federal level that have ability to leverage at a local level.

The other thing I would say is that in the area of youth development the importance of the full research, education and Extension outreach model needs to be strengthened by the role of USDA, but it also needs to recognize that many of the other roles of federal government also critically relates to many of the same issues so the collaborations with HUD in collaboration with Health and Human Services that are being formulated in the Extension areas and other issues are critically important for the future of funding success in the youth development area, the ability to have a federal partner who helps bridge connections to other

federal partners to strengthen the overall children, youth and family development work that we do. Using that full integrated model of Extension, outreach, education and research is critically important.

And if I can defer to just one other person you have here from the youth area, Jolene Dirken, a member of the board of the Minnesota 4H Foundation.

MS. DIRKEN: Hi there. My name is Jolene Dirken. I was a 4Her about 50 years ago for a few years and it was helpful in my development, but then I just had a long vacation from 4H as I was busy with my career and I was busy with my husband. I had no children and I retired six years ago from the Minnesota Department of Education where I did a lot of things with administrative programs. And one of them was administrating the USDA food program for schools, breakfast and lunch and the summer food program and the hugest program of all, the Minnesota food child care program. So that's most of my connection with USDA was through those lenses, a little bit through the lens of farming through my own background.

At any rate, I observed 4H most closely during most of my life through my nieces and nephews. And some of the things I observed were youth engaged in active learning experiences that were fun enough to hold their interest. I saw them have youth development so they would become young leaders and now 20-year-old-plus leaders. I saw young people be resources in their community and use those resources to make their own communities better wherever those communities were.

And I've seen Nathan and Christa, one niece and one nephew, as they've moved from rural to metro to rural and used their resources whenever they are. Whether it's a college community, a community where they live a short time, they take that 4H training with them and they're just the kind of people you want to have in your neighborhood. That wouldn't have happened without 4H. From my own experience as a 4H Foundation trustee now I see many young people putting their resources to work wherever they live, more in metro communities than I observed from their rural background. And I see youth exploring their interests, and that leads them to

know themselves really well, it leads them to better career choices, more successful careers, more successful families, more successful communities than would happen if they didn't have the out-of-school practical learning experiences that are action based.

I'll tell one story about Nathan and one about Christa to make the point that I've seen all these things happening.

I saw Nathan as an adolescent who was in a small town in Minnesota, and in Nathan's eyes there were two kinds of guys in his town: those who are really into sports full time and Nathan was only in part time. And then there were the other guys who liked to sneak a beer sometimes. And Nathan fit neither group and he felt quite lonely socially and every other way. But he was active in 4H. That was something he could do when he wasn't in school. And so he was quite active and he decided to go to the (unintelligible). And the first year that he was there he had spent the week learning their performance, getting to know some new kids and so then it was time for the dress rehearsal so family members came and watched the dress

rehearsal. And I saw Nathan after the performance go to his mom and say, "Mom, there are people here just like me." And that was a turning point for our Nathan. He knew that he wasn't -- the whole world wasn't full of one Nathan per town. They were people like him elsewhere. And after that he had a number of other things happen to him like being diagnosed with ADHD which had been one of the things that contributed to his loneliness. They diagnosed his bipolar. And now he's finishing college and has some nice job offers in different fields. And so I don't think that could have happened without 4H and without the experience of learning an interest area that could turn him on and develop him.

I'll tell a short story with Christa. Christa is his older sister. She had been a ten-year 4Her. Pretty active in many things. Went off to college and played volleyball at St. Cloud State University. There was fairly little recognition for any girls team compared to the guys' teams. So then when they did better than anybody thought, they came back from a national tournament and they heard that the girls

volleyball team was going to be honored at the boys basketball game that evening so they could stand up and be recognized. So they went and the president of the college introduced the team and praised them a little that they had been off to Florida and come in pretty well, the top eight, and all kinds of recognition compared to what they had the previous four years. And then he called the tri-captains up to the floor of the gym. And as they went, the girls looked at each other; somebody is going to have to say something. And so Christa said something. She gave her little talk. And afterwards she called her mom and she said, "Oh, I had to talk to all those people with 30 seconds of preparation, Mom." And Mom said, "Well, how did it go?" And she said, "Oh, thank God for 4H." And Christa can still give speeches and talks and think on her feet. And again I believe a big piece of the credit goes to 4H and the demonstrations that she did at the county fair here and there along the way and at the state fair. Much experience at talking, answering questions, that sort of thing.

So what makes it possible for the Christas and the Nathans to be engaged in

experiences that will lead them to development that's a very positive thing for development for their careers and life. I'll name five things that I think are there. One is caring adult contacts mostly in the form of volunteers. Research, education service and outreach in a system that can be tapped by those volunteers, the glue that holds the system of research and educational service and outreach together with the volunteers which is the local professionals who act as that glue. Fourth is federal resources that are there as a base so that the system can't blow away, positioned in a respectable place like a land grant university such as the University of Minnesota. And then a way to supplement the federal dollars with as much private money and resources as possible.

If I were sitting in a USDA bureaucrat's chair today what would I be trying to think about? I would think about keeping the system, I would think about keeping the youth development, keeping the base funding so that no piece of it can disappear and I'd keep the grant systems so that priorities can be funded extra and changes can be made, so that changes can be made both to

the money leaving them a bit and also other ways so that changes will take place in a changing world rather than stagnation. If I were to improve anything I'd work on the family based aspects. I would do more with the child care and tapping the out-of-school time of youth when there's time available that at worst is wasted and at best is tapped and made into a great learning experience with activity and enrichment. Thanks.

MR. SPURLING: We have a note here from someone who had not signed up but would like tell of the impact USDA programs have in Dakota County. That's exactly what we're here to listen to so Jane Hager Dee.

MS. DEE: Thank you for this opportunity. I was going to be a fly on the wall and just observe what was going on and learn from it, but I couldn't stand it any longer. Any of you who know me knew that this probably would happen, but I think it's important for all of us to really know what extension is like in a county and how USDA can impact the lives of people in a suburban county. We talked some about rural, we've talked about agriculture, but agriculture

and Extension looks different in a suburban county.

I am the County Extension Leader in Dakota County which is just over the Minnesota River from us. It is a growing county with 360,000 people. It is -- about 95 percent of the population live in the northern third of the county is very suburban, and two-thirds of the ground mass of Dakota County is where five percent of the people live and it's very rural. However, Dakota County is growing at the rate of about 10,000 every year, and approximately 3,000 acres are being taken out of agriculture production every year in Dakota County for town houses and schools and streets, and it's losing its rural flavor. People live in Dakota County because it is somewhat rural, but we're losing that rapidly.

It's a wealthy county. However, we do have pockets of poverty. The 2000 census is showing us that there are much greater people -- numbers of people of color in our county and our school censuses are showing us about 11 percent of the school age children in Dakota County are children of color. So these

are offering us some opportunities as well as some quandaries of how to reach all of the people in our county.

Extension looks differently in Dakota County too. We have 40 people who do Extension work every day and deliver education in our office. We have about a 1.9 million dollar budget in Dakota County. Forty percent of our budget comes -- and I'm rounding this. About 40 percent of the budget comes from county sources, 30 percent comes from University sources and another 30 percent of our total budget comes from grants and contracts. So we have really diversified our funding base and it has offered us some opportunities. Programming in Dakota County, we do a lot of horticulture work. In fact, our master gardeners received the International Award for Excellence this year as the outstanding master gardener group in the world, and we were very proud of them because they are a marvelous, marvelous group of volunteers. We of course do a lot of nutrition and resource management education. Beth Sandell addressed that. Our youth program also looks different. We have 1400 4H community club

members in Dakota County, but we reach approximately 20,000 youth through in-school delivery, after-school programming, camps and partnerships with park and recs and other kinds of youth activities that we do throughout the year. This is an enormous part of our programming, and we have 90 people who do youth development work in our county. We do a lot of water resources education. We have a partnership with three other departments in the county. The Office of Planning, Soil and Water Conservation District and the Environmental Management Department do water resources education. We have cadres of volunteers who do latent stream monitoring, who work with master gardeners on shoreland, how to take care of lawns for people who live in homes that go down to the many, many lakes of Minnesota, how to take care of those lawns ecologically.

We do a lot of family education. And parenting education is what's really important. Minnesota has a very strong early childhood family education program, but once the kids get to school those programs end. And there's a tremendous need, particularly as children move

into the junior high years, for parenting education. And the people in Dakota County have been pretty loud in telling us that Extension needs to fill that gap. So we're partnering with other organizations.

There's also a tremendous need with new immigrant groups who are coming to our county to help them assimilate to our population, in helping them with parenting and family education. So we have a lot of strength there.

Our agriculture program is primary an ag business program. Our agricultural producers really don't need production help. They're efficient, smart producers. What they want is help with risk management and they want to learn more about smart marketing. And these are the assistances that we give them through Extension.

We also have a enormous group of volunteers in Dakota County. Our county board requires some interesting accountability. A lot of it is quantitative. We have 2,700 volunteers in Dakota County working directly with Extension programs. And these are people that we know their names and addresses and phone numbers. These aren't people who just sort of help us.

These are people who sign up and help us. And I did some math and figured if each of those people give us two hours a week, which from a master gardener perspective I think some of them give us two hours just about every day and certainly from some 4H contact leader perspective with Dakota County groups are there every day helping with getting many of those projects done. But if you take the 2,700 volunteers times two hours per week times
the 52 weeks and the Minnesota Office of Volunteerism puts a value on a volunteer hour at $15.39; in our county alone with just volunteers that we know we have in our Extension programs we're generating over three million dollars worth of volunteer dollars for Dakota County in extension programs. That's impact, and I think that's very important for us to articulate to our policy makers.

I want to give you three examples of USDA programs that directly impacted our programming. First of all, and again I'm going to just defer to Beth because she talked about the nutrition program and we have an enormous group of NEAs and professionals who do nutrition

work, but we have an employee who right now is participating in the USDA Army School Age Program and is stationed in Germany. She is working on all of the Army bases in Germany and is working with paraprofessionals who deliver before and after school programming and is teaching them sound youth development principles. Now, what a tremendous opportunity for Dakota County when she comes back in May of 2002. The vast majority of our youth contacts are made in school settings either during school hours or after school hours. Think about what that employee is going to come back to Dakota County with compliments of the USDA and the U.S. Army and the kinds of skills she will have to bring back to us and to our programming. This is something that's very important to us.

About ten years ago the Children, Youth and Family Risk Program awarded us a grant and we leased a mobile classroom. We have a little Winnebago that goes out and is a mobile classroom and we call it the Minnesota -- we call it On The Move for Minnesota Families. And for five years as part of that USDA grant they'll give -- the lease was paid for by USDA and we move into

underserved communities doing education. We partner currently with 60 organizations. We are currently providing some educational services in 29 underserved communities, many of them manufactured housing parks and federally subsidized housing complexes.

This summer we're working with the Dakota County Bookmobile so the two of them pull in together. I refer to it as the good humor man. They pull in together and children can do Bookmobile activities. We have age appropriate activities going on in the mobile classrooms. Sometimes we pile moms and parents in and do parenting education. We partner with 60 organizations in Dakota County delivering health and nutrition and educational kinds of services.

The county at the end of that five years picked up the cost of the van, but if it had not been for USDA's awarding of the grant and allowing us to engage in this program and start the program, we wouldn't have that van. And the county was very willing because of the success of that program to pick up the cost of that.

Thirdly, I'd like to share something with you that really shows to me the direct value

from the USDA. That's the system. On July 7th and 8th of 2000 we had 12 inches of rain in Eagan, Burnsville, Apple Valley and Rosemount. And literally basements were blown out of people's homes. This is a very hilly area and a dam at the top -- or, well, I'll call it a dam. I'm sorry, Jim. I don't know what the hydrology is. I'm not familiar with that. But anyway, there was a dam and a lake at the top of one of the hills and the levee gave way and it was like a bowl that was too full of water and it just spilled out and many of those six and seven hundred thousand dollar houses on the side of the hill had water running through them. And we had thousands of affected families.

This happened on a Friday and a Saturday night. By noon on Monday we had the North Dakota State University site on our web site. There was a direct click onto the Dakota County web site that said if you need help with the flood, click here, and it went right in. We also accessed the North Carolina State University site and made that available. By 4:00 o'clock in the afternoon we had 1,700 packets printed that were going to be going to the FEMA outreach meeting the next

day and were hand delivered in the backs of people's cars to hardware stores and lumberyards.

Now, without that system-wide connection we would have been hunting everywhere for information on how to help our families that had water that was going down in their basement, the tremendous loss and how did they deal with it. So this is something that we feel very strongly is a huge piece that you bring to us. We don't want to reinvent a lot of things. The access to what other states have done, other curriculums, other information, other issues that states have done is available to us to pass on to our consumers.

Leveraging of salaries is very, very important to us, and that's a huge part of what USDA brings to us. That the system linkages, the leadership in program design innovation and issues education is essential for us on the national level and also the strengthening of that Extension with research is important to USDA to bring to us. Thank you.

DR. SCHWAB: Well, thank you. Next we'd like to hear from Les Everett.

MR. EVERETT: It's getting close to

lunch and we've heard a lot of things and I'm -- can you hear me? I'm not here to talk about 4H but I will mention that my first born had the Iowa Grand Champion hog at the county fair. That's early childhood success that has not been repeated.

I'm with the Water Resources Center of the University of Minnesota Extension Service, University of Minnesota. I'd like to talk not about CSREES programs per se but about having CSREES as a representative of Extension advocate and participate with other agencies both within USDA and outside of USDA in bringing Extension into those programs. And I'll use one example which has worked well for us and which is currently under threat. And that is we have an environmental quality incentives program from the last farm bill which is the incentive program financial assistance to farmers with good practices. That program didn't build in an education component where the state conservationist within our CS could bring extension and other players in to do conservation education about practices. So let's back up a little bit.

National resource conservation and education we think is quite important. Jim Anderson mentioned that we have problems in this state with ground water contamination by nitrates. Of course, it was mentioned, hypoxia in the Gulf of Mexico which is largely due to loading up nitrates from agricultural loads in the Midwest, lake and river eutrophication from excess phosphorus in agricultural field runoff. And this being the land of 10,000 lakes, that is a big issue. Contamination of surface water from fecal-borne pathogens: We have quite a few areas of surface water in the states that are above the limit for choloform. Finally, soil loss from farm fields resulting in decreased soil productivity and sedimentation of lakes and rivers. So those are significant issues that we are addressing here with Extension in the Water Resources Center.

We feel that once you have the research base or while you're developing a research base, these problems are most effectively addressed with the combination of education, incentive programs and regulatory programs, a combination, not any one alone. Education of course is

essential in presenting the resource problem and recommended practices with understandable language and through a mix of education methods. So in Extension we have that role.

We find that if the different agencies with the tasks of education, technical assistance, incentive programs and regulations do not cooperate and coordinate, the farmer receives mixed and sometimes conflicting messages. And in those circumstances he may say, look, if you guys can't come together, don't come around. And this frequently happens.

Tillage, crop nutrient and manure management are examples of areas where confusion often occurs if there is not interagency cooperation. It's not sufficient to simply publish practiced standards for nutrient management and similar farmer-implemented practices in the NRCS Field Office Technical Guide or to publish feedlot rules in the National Register. A well-designed and delivered education program is essential to allow the farmer to understand and carry out these practices.

It's our experience in Minnesota that

interagency teamwork is greatly facilitated by funding that is dedicated--and this has been mentioned before--dedicated to interagency education projects. In this case NRCS, University of Minnesota Extension and state agencies jointly develop and deliver conservation education related to practices addressed under this EQIP financial assistance. This is contractually based. In other words, we sit down each year, write a contract with NRCS together with the state agencies to determine what's going to be in the program for that year for conservation education and then we're paid on delivery. So we do the education that's been laid out as a team and then the funds come through. We've been doing this state wide on nutrition, manure, tillage and grazing management since 1998. I've got some publications that we use here.

The program has also funded 62 county and watershed based conservation education proposals in the state focusing on local resource issues. As you can imagine, we have a strong agricultural area in the south and that grades to lakes and rivers and forest regions in the north,

and they have different needs and concerns up in those areas. We've had similar success with an EPA Clean Water Act Section 319 grant on feedlot rules education in bringing several agencies together to develop and deliver education about manure and feedlot management.

EQIP education or a similar program needs the advocacy support of CSREES representing Extension in discussion with NRCS, FSA and OMB. At the urging of the Farm Service Agency, FSA, OMB recently slashed EQIP education assistance in half at the national level and it only started out at four million nationwide and now has become so small as to be unusable at the state level. This is simply a conflict between NSA, NRCS. If CSREES was at the table saying settle this, it wouldn't have happened I don't think. We need CSREES to take an active role in reinstating and enhancing EQIP education, both in the current fiscal year and in the new farm bill.

We also need CSREES to encourage other states to take this highly productive approach with multi-agency conservation education programs. A better knowledge of other states of the potential of EQIP education programs would

lead to critical massive support. Not enough states have taken advantage of this provision to make it high on the radar screen in Washington I'm afraid. With this I'm attaching a copy of a previous letter sent to CSREES on this topic, along with EQIP education progress report, a brochure on the local education program and an example of two publications by the project. We also have a web site which I've listed there. So you're welcome to any of these publications and I have copies of my presentation.

MR. SPURLING: We only have one speaker left on the list. If there's anyone that would like to speak, if you could just write your name on a piece of paper so we have it up here. We will continue on until we finish with the last speaker. Nancy Bull.

MS. BULL: Thank you for this opportunity to speak on two topics of concern. One is formula funds for the Extension system and the second one is our forestry initiative, our nationwide forestry initiative.

First of all, my name is Nancy Bull. I'm the Associate Director for the Cooperative Extension System and the Associate Dean for

Outreach and Public Service in the College of Agriculture and Natural Resources at the University of Connecticut. I always say I'm glad I've got a short name because I have a long title. And I might just relate to you that the University of Connecticut is the home of women's basketball and men's basketball as well. However, basketball doesn't dominate everything we do. It does get its recognition however.

You might say Connecticut, that's a small land mass and probably doesn't have any agriculture. We have about a two billion dollar agriculture industry in Connecticut. We are a small land mass state, but we do have 3.3 million people in the state and we also have the highest per capita income in the country and three of the ten poorest cities in the nation. And so when you look at that dichotomy of the state you begin to understand that Extension plays a very critical role within the state.

Our educational programs not only are in production agriculture, but we have very strong youth education programs in inner city New Haven and Hartford in healthy life-styles and we have moved heavily into a lead poisoning prevention

education program as well as identity theft programs. And I was interested in our Congresswoman Rosalie Deloro who is now heavily into identity theft areas as well.

Now, what makes all that possible in a small state without county government--and we gave up county government 30 years ago, it's duplicative to 169 town or government systems--what makes Extension possible is the formula funds that we get from the federal partner. Those formula funds will allow us to go to this university system to request additional support for our Extension education programs. It gives us a partnership across the country and it gives our people within the state a real commitment to USDA. And I think that's important that they understand the federal partner as well.

The previous speaker mentioned EQIP funding. One of the best things about EQIP funding in my mind has been the state technical committee where we all come together. And we do that a great deal in our state. We come together to discuss what the issues are. Without the federal money, which in our state is only about 1.7 million dollars, it's not that much. The

last five years that formula money has dropped from 50 percent of our budget to about 22 percent of our budget. That's unfortunate in my mind, but it still is a significant component and it allows us to focus on some priority issues that that money targets. I would urge, and this came out of our partnership workshop in February, that we really focus on the importance of formula dollars because without those formula dollars I cannot compete for research grants or competitive grants.

And let me just mention what those formula dollars do for us. They provide us with extension centers because we don't have county funding that provides that for us. So we have Extension facilities where we even pay rent or operate our Extension offices. They help support travel. They help support positions. And unfortunately because those dollars have been static and because pay increases in our state are union mandated, we have decreased the number of employees on federal dollars. And as more and more employees retire we will not be able to replace them because there simply aren't new dollars available to be able to do that. Not

having those employees in our Extension centers means when the telephone rings we cannot always respond to that question, that request, that educational program. We would not have a lead poisoning prevention program, not only in inner city Hartford but in several of our Native Indian tribes in New England if it weren't for federal formula dollars underlying the cost of that position and some of that program expense. And then that faculty member can garner additional resources. Those federal dollars also then bring us together as an educational network across the country.

That brings me to my second point that I want to mention, and that's the Extension Section of the Committee on Forestry. This represents the five Extension regions in the country working with our federal partners. That's been a critical component again. If our federal partner wasn't there supporting us, we would not have had this forestry committee and task force. The forestry team has worked both to communicate with other agencies and not-for-profit organizations interested in the forest industry to talk about what extension brings to the table. And the

response we get as we go to each of these partners, who we haven't always communicated very well with, is we've been waiting for Extension to come to the table, we're glad to see you're finally here, are you really serious about forestry, are you only talking about natural resources from a production agriculture perspective. And we've assured them we're really serious about forestry education and what the importance is.

As part of our educational efforts then we did have an opportunity to provide some testimony and I just want to publicly acknowledge our appreciation of Dr. Hefferan's testimony before the House Subcommittee on the Department of Operations, Oversight, Nutrition and Forestry at the House of Representatives because it was critical to us in building additional support for our forestry programs. Again, in an urban state what we see is the fragmentation of the forest. Where we used to have a small number of landowners who owned large acreages, we now have either through a state settlement or through the sale of property we have multiple landowners who are really owning smaller and smaller pieces of

forest. That's impacting on the ability of our forest industry to be a profitable industry.

That also impacts on wildlife habitat. And one of the growing issues according to educators in my state is the wildlife infringement in urban areas, not only from a health perspective but also a serious loss to our nursery industry. Container nursery crop is our number one horticultural product. The forest industry of course impacts on our water quality, and in our small state that's really the Long Island Sound. And if the forest isn't there to keep the water quality up, then we experience problems as we did last year with the lobster die-off and the oyster industry. We have the largest seedbed, oyster seedbed industry in the country in Connecticut. That was severely impacted by reduced quality of the water in Long Island Sound and that has a relationship to our forest industry.

Connecticut is 60 percent forested and 90 percent of that forest is privately held. So where we need to focus our educational efforts is in the private landowner forest industry. Currently based on nationwide ten million private

forest owners, CSREES invests in forest resources approximately $3.50 per forest owner compared to $148 per farm. And so the forestry liaison team has made several recommendations, one of which is to increase the funding for the Renewable Resources Extension Act, RREA. Currently that funding is nationwide three million. We'd like to have that funding at the full authorization of 15 million. And a request has come forth from the Private Forest Industry Council for RREA funding to be increased to 45 million dollars. That would be a significant increase in what each of us could do in our states.

In addition, what it would mean is that we could provide for the first time RREA funding to our 1890 partners, our 1994 institutions and reach out to our more underserved and minority audiences through our forestry natural resources program. In addition to that, we would like to develop five regional forestry centers to work more closely with the U.S. Forest Service. What we have found in water quality education programs is when we have an Extension employee assigned to a regional EPA office, we have a stronger quality education program. And as many of you know, our

federal partners across the spectrum of federal partners sometimes struggle with how to reach individual people in the state or work with individual communities. And EPA has really benefited from our Extension employees being in their regional offices. We'd like to establish the same type of relationship with the Forest Service. And we'd like to expand the cooperative forestry for research program at the same time and establish a national advisory board under the Secretary of Agriculture to develop specific strategies and programs to implement the National Research Council report on forested landscapes and perspective.

I appreciate your time today. Thank you for conducting the listening sessions and please try to keep in mind that those formula funds back in the states are critical to the solidity of our Extension programs and from which we can build additional program focuses in grant funded programs. And forest education is a significant -- must be a significant part of what we do, not only just for forest landowners but also for production agriculture people as well. Thank you.

MR. SPURLING: Thank you. Again we want to thank everyone who has taken the time to come and participate in this listening session. I would like to briefly say that the listening session would not have occurred if it hadn't been for the leadership of our Administrator who really started this whole process several months ago. And it is very interesting hearing what partners, stakeholders and customers have to say.

Colien, if I could impose upon you to give us your reflections of what you thought you heard here today. I know you don't have a prepared speech, but is this what we were looking for?

DR. HEFFERAN: Jim, in response to your question this is what we were looking for and more. Mostly I want to thank all of you who have come today and made presentations, both those which you've prepared in advance and those which you have been moved to make on the basis of hearing others speak.

Our organization is unique in the realm of federal organizations in that we don't perform research, we don't conduct education. We really

facilitate the work of others. And we can do that only effectively if we have a sense of what those who are benefiting from those programs or those who are conducting the programs in the state are concerned about.

Obviously we have an enormous scope of work within CSREES that we do now and probably more importantly that we can do in the future. And our sense of how we choose among that wide scope, where we put our emphasis at the federal level, how we connect with those of you at the state levels who are delivering programs and those of you at the local level who we hope are benefiting from those programs has to be guided by the kind of input we heard today. It's been very clear to us through a number of mechanisms and certainly reinforced today that the stability of the base program is critical to allowing us to have the flexibility to respond to issues that we can predict and those that we can't predict. And the agency views that base program as certainly including the formulas, including the base of support that is provided by some of our ongoing competitive grant programs as well. And we're very committed to those formulas and those

competitive programs.

We also recognize that as a federal entity our successes in funding have been particularly in those areas where we can focus on a very high priority issue that the public is concerned about. And today I've heard a number of things that are just excellent examples that we can use as we talk with Congress, with the Administration officials and with others of the kinds of targeted efforts that you all have been engaged in that really tell the story of what happens when the federal government has an ongoing and sustained relationship with the universities and the counties to provid the kind of citizen knowledge base that's needed in agriculture, the environment and human nutrition and health and in community development.

I probably have taken as many notes as our recorder. I'm on both pages of several sheets, but there were points where I had to stop taking notes because I was so enthralled from the comments. And I don't want to spend a lot of time pointing out any one person to be sure because there's great richness in all that was said, but I particularly do appreciate the kinds

of comments that help us understand the operational challenges that you all have in delivering programs. I think we're aware of some of those, but it's a reminder to us, as I know you are well reminded in the states, that taking the time to listen to the people with whom you work and the people you're trying to serve is always valuable. We can continuously improve the way we operate. We can continuously improve the arguments that we make on behalf of the programs we're looking to advance. And I think we can form the agenda by utilizing the information you gave us.

So I want to thank all of you for your time. This has been a very important morning for me. And I don't know how we will proceed this afternoon, but some of you we hope will stay and talk about some of these issues in depth. But whether or not you can stay throughout the day, we highly value the information you've given us this morning. So thank you.

DR. SCHWAB: With regard to the afternoon, we had planned to have a smaller group discussion to sort of delve into some issues more closely. And originally we had four people

signed up to attend this afternoon and I know one of them has already left. Are folks interested or planning to stay this afternoon?

We'll come back here after lunch and if there is a group of folks who want to engage us in small group discussion, that would be great. A show of hands of how many folks are interested in doing that. Okay. Good. We'll have a single group and we'll just spend an hour or so, hour and a half talking in that smaller group about some of the challenges and successes that you've had and how you might approach things in the agency and other agencies in the government to make things better. Come back here around 1:30.

(Recess.)

(Small group discussion held off the record.)

DR. SCHWAB: I'm going to give the conclusions of the small group discussion that we just had. I thought it was very interesting that many of the comments that we heard in this small group were very similar to the comments from the small group we had in Lancaster, Pennsylvania. There was a good deal of discussion about the needs to balance the historical agriculture

resource based constituency of the university research, education and Extension programs with the new urban and suburban growth pressures that are occurring in and around Minnesota. This really was a key point that many people brought up during the discussion.

There was also a good deal of discussion about the need for a multi-disciplinary approach to the solution of agricultural and resource problems. No longer can biological and soil and water scientists work in isolation from social scientists. They need to work together to develop the scientific applications and the educational programs to reach both the agricultural and the urban audiences.

Related to that they also need to engage a broader clientele in the agenda setting of these programs. They need to talk to farmers. They need to talk to suburban and urban constituents and really make the linkages between agriculture, the food system and the resource base.

There was a great deal of talk about the need to balance specialization with generalization where no longer can we have folks that are just very specifically specialized in a

particular area. They also need to have a general knowledge but not so general that they can't be helpful to the people who they need to serve. So this is a conundrum for the Extension and the university system.

And finally there was a need to work smarter, not harder, share the burden of particular research and extension programs on a regional basis where not all institutions have to have every program in their stable of programs, but you can have a, for instance, poultry program that is conducted on a regional basis rather than at each individual institution. And we also need to utilize modern telecommunication and information distribution systems to a greater extent so that not everybody needs to develop the same curriculum but rather can share a curriculum via the Internet or distance learning techniques.

(Session concluded at 3:00 p.m.)

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

BE IT KNOWN THAT I, Carol McTie, the undersigned, a duly commissioned and qualified Notary Public within and for the County and State of aforesaid, do hereby certify that the foregoing transcript is a true and correct transcription of my shorthand notes taken therein.

WITNESS MY HAND AND SEAL this 8th day of August, 2001.

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Carol McTie
Notary Public,
Hennepin County, Minnesota